

# Dov Lautman 1936 - 2013



Delta's Global Employee News Magazine • Issue #12 December 2013

## Under Cover



## A Winning Culture in Action

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# Dov Lautman 1936-2013

The founder of Delta,  
a man of many talents, a visionary, an  
entrepreneur and a leader.

A "people person", an industrialist,  
and the recipient of the Israel prize,  
recognized for his unique contribution to  
the State of Israel and Israeli society.

May his memory be blessed.



Delta – Founded in 1975. Picture: The late Mr. Dov Lautman and Minister Shimon Peres, currently the President of the State of Israel, at the Carmiel main factory.

## Saying a Sad Goodbye to Dov, and Continuing in His Footsteps.

The late **Dov Lautman**, who founded Delta, was much more than a businessman -

**Isaac Dabah:** "He showed everyone how to combine brilliant business acumen with social involvement, Zionism and public action, at the highest possible level. I have the privilege of following in the footsteps of one whose every action was guided by a love of his fellow man, a sense of mission, wisdom and accountability. We at Delta Galil will continue down the path that Dov had shown us, and the values that Dov exemplified will guide us."

## A Distinguished Individual that We've Grown to Know and Love

Dov Lautman was considered one of Israel's leading industrialists. In 1975, he founded Delta, which began with a factory and several hundred employees in Carmiel, and developed over time into a global company at the forefront of its field, that employs thousands of people around the world.

Throughout the years, Dov was active in the public sphere, serving as the President of the Manufacturers Association of Israel and as Chair of the Coordinating Bureau of Economic Organizations. He is one of the founders of the "Dor Shalom" (Peace Generation) movement, and was involved in a great many organizations and NGOs that worked to promote a better society, with an emphasis on coexistence and educating the country's youth. He served as chair of the board of directors of Tel Aviv University and deputy chair of the Abraham Fund, which promotes the coexistence of Jews and Arabs, and was a member of the board of directors of the Peres Center for Peace. Dov had been battling ALS since 2003, a severe condition causing the degeneration of muscle tissue. He fought this battle with dignity and with a level of optimism that has been a source of inspiration to others, but the disease ultimately forced him to resign from his official posts at Delta and elsewhere in the industry. Still, Dov continued his public work and in 2007 received the Israel Prize, in recognition of his unique contribution to the State of Israel and Israeli society at large.

Dov passed away on Saturday, November 23, 2013. He was 77 years old.

He is survived by his son, Noam Lautman (the Chairman of the Board of Directors of Delta) and three grandchildren.

# In Memory of a Leader and a Friend

An excerpt from a speech delivered by Isaac Dabah, CEO of Delta, in memory of Dov:

Managers and employees, my dear partners,

Dov Lautman, the founder of Delta, considered all of us members of his family. He was very proud of what we had achieved at Delta, and for continuing his life's project with such great success.

In many ways, Dov was my mentor, and he mentored many other people who worked at the company. He inspired us to refuse to give up and to persist when doing what we believed in. He showed each of us how to combine brilliant business acumen with social involvement, Zionism, and public action of the highest caliber. I have the honor of walking in the footsteps of someone who was much more than a businessman... someone who acted out of love for his fellow man, a sense of mission, wisdom and accountability.

## **It is Hard to Express what Dov Meant to All of Us. He Was a Very Special Person.**

Dov was a visionary that built a company of international repute. He was a "caring father" that was deeply concerned for those around him. He believed that we are all living in a world of opportunities, prosperity and peace.

Dov wasn't a religious man, but he upheld a very important principle of the Torah (Bible): "Love your fellow man as yourself." He loved every human being. He kept a close relationship with those who worked for him, and was concerned for their wellbeing. He would always ask his employees how their families were doing, and what he could do to help. I remember the first time I came to the sewing plant in Carmiel. It was amazing. He knew the names all of the employees, and everyone referred to him as "Duvik".

Dov always tried to attend special occasions – both happy and sad ones. I remember one evening, several months ago. I knew that he was having problems breathing, and called to ask how he was doing. To my amazement, he was on his way to Carmiel, to the wedding of the daughter of one of the managers. Nothing could prevent him from expressing his appreciation of his employees and paying his respects.

Dov loved peace and pursued it relentlessly. He believed in coexistence and cooperation, and his actions embodied those principles. Today, in Carmiel, we have a human resource pool

that is made up of Muslims, Christians, Druze and Jews, where veteran employees work alongside new immigrants. Everyone here works shoulder-to-shoulder, and side-by-side.

Dov had a dream. He believed that peace can be guaranteed through trade, and he took action to make that dream a reality. Immediately after peace treaties were signed with Jordan and Egypt, Dov opened his first factories in both countries. Delta was the first Israeli company that implemented the peace treaties and infused them with genuine meaning.

Life wasn't easy for Dov. It was marred by disease and personal tragedies. In the past 11 years, during which he had suffered from ALS, he battled the disease with dignity. His spirit remained strong and he served as an inspiration to everyone around him.

Dov's beliefs and principles will live on in the enterprises that he built and in the opportunities he created for his employees. Delta was his life's work and a Zionist mission. He had always said that Delta was his second family.

Dov taught me the importance of innovation and how talented and motivated people can do great things. In many respects, Delta is the shining star of our industry, thanks to the spirit of innovation that Dov Lautman had engendered.

When Dov resigned from the company's management, he continued to assist the company, doing anything he could to ensure its success. Although he was no longer involved in the company's day-to-day activities, he continued discussing planning and strategy with us. His eyes would always light up when he talked about Delta, and he was proud to see the company grow and prosper.

About two years ago, when I informed Dov that Noam had agreed to take on the role of Chairman of the company, his eyes swelled with tears of happiness. I'm sure that Noam and I, along with you, will continue Dov's legacy, acting in accordance with the principles of help for the needy, promotion of peaceful coexistence, and investing in innovation.

**Dov's dream will live on in the company that he built and nurtured. Dov will always be in our hearts, and we, at Delta, will continue in his footsteps, ready to follow the principles that he stood for.**

Yours & always with you,  
**Isaac Dabah,**  
CEO

## Letter from the Editor

### Greetings,

**Dov Lautman** passed away on Saturday morning, the 23rd of November, 2013. After his death was made public, eulogies and articles in his memory began to appear in the Israeli media. Among his mourners were the President of the State of Israel, the Prime Minister, Government Ministers, heads of NGOs that Dov had established, social activists, colleagues and partners, managers, employees and many others that loved and had great respect for him. They spoke about Dov's contribution to the State of Israel, to Israeli industry, and to Israeli society. They described him as a visionary and a man of deeds, a leader, a mentor and role model, an enthusiastic man and one who inspired enthusiasm in others. They described his concern for others, his sense of loyalty and accountability, his foresight, his dedication to completing the task at hand, and his remarkable accomplishments. They spoke about the great love that others felt for him and their admiration for his fighting spirit, determination and the optimism he maintained while battling his disease.

Unfortunately, considering how complicated it is to prepare this print edition in different languages and the limitations of this medium, we are unable to mention all of the outstanding things that Dov accomplished or all of the things that were said about him, but I would like to share a few personal thoughts.

I had the privilege of knowing this legend of a man closely, for over 20 years. For several of those years, I was his personal assistant, and our relationship remained warm for many more years. He was my friend and advisor, and we did not part ways after he left the company. I would see him create, get excited, assemble and build, ponder, struggle, and take things to heart. I witnessed the impeccable attention he gave to each individual, regardless of whether that individual was a junior employee or a senior manager. I saw him give of himself, from the bottom of his heart, without expecting something in return. I liked learning from him, and there was indeed much to learn. In the words of Israeli singer Ivri Lider, "I was privileged" to learn, to grow and develop, and I was also privileged to love, in our private and personal way.

I already miss Dov, as do many others. Still, I am certain that everyone carries with them a part of him that will remain alive forever.

Yours,

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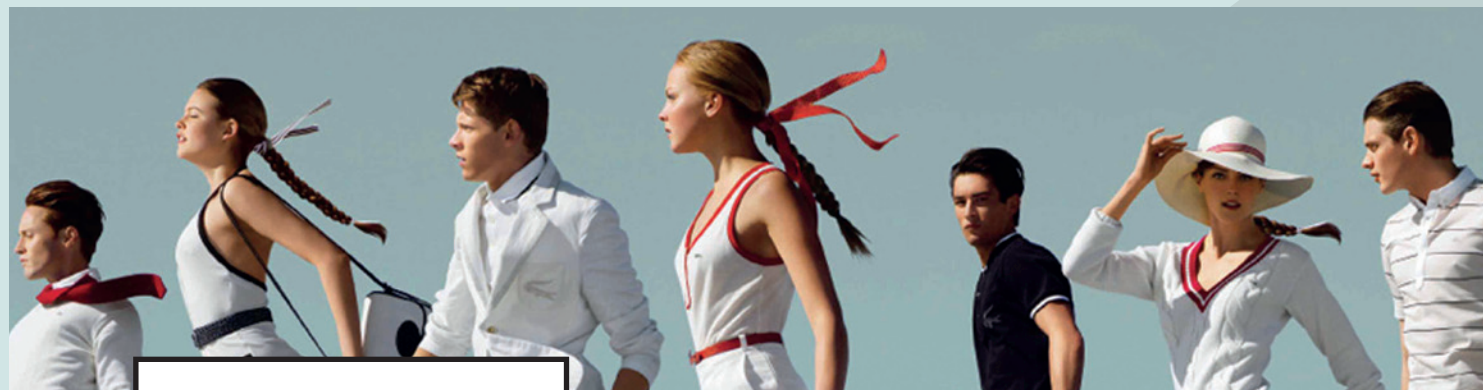
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DELTA DESIGNS & PRODUCES FOR TWO PROMINENT NEW BRANDS:

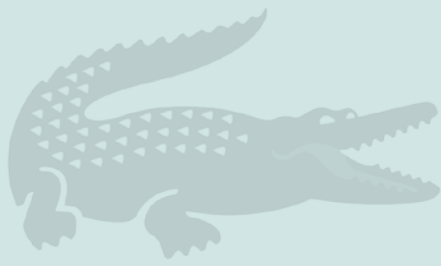
MEN'S UNDERWEAR AND SLEEPWEAR FOR INTERNATIONAL BRAND *an original Penguin*

MEN'S UNDERWEAR FOR INTERNATIONAL BRAND "LACOSTE"



In may 2013 delta announced it has signed an agreement to produce men's sleepwear and underwear for the international brand "Original Penguin". In october, delta's growing and diverse franchise list was further enriched by an agreement to design and produce men's underwear, leisure wear and sleepwear for the international brand "Lacoste".

The acquisition of the franchise rights of these two brands, strengthens the company's declared brand growth strategy, and further reinforces its presence in the global market.



### Continuing the Growth Strategy

The acquisition of franchise rights, alongside the purchasing and development of brands is part of Delta's growth strategy, which alongside the development and production as a private label, increases its market share as a brands' company as well as a franchise producer for leading global brands.

Isaac Dabah, Delta's CEO: "The partnerships with Lacoste and Original Penguin are part of our strategy to increase our branded activity and franchise portfolio as well as strengthen our global activity."

### Cooperation with Original Penguin

Original Penguin is one of the leading brands of Perry Ellis international, the exclusive design firm for fashion, accessories and perfume. The items produced by Delta are intended for the American and Canadian markets.

The brand Original Penguin is known for its modern design, and is characterized by vintage inspiration. It is sold worldwide through several sale channels, including retail stores owned by the company, large retailers and specialty stores, as well as the brands own website: [www.OriginalPenguin.com](http://www.OriginalPenguin.com)

Upon signing the franchise agreement, Isaac Dabah, Delta's CEO said: "The Original Penguin brand symbolizes classic American style. It reinforces Delta's franchise portfolio and promotes our strategy in the undergarments arena. This agreement is exciting because it entails creating a new and unique collection that will reflect the brand's tradition and spirit". Perry Ellis International representatives believe that the new franchise agreement will enable the addition of a new category of products to their already popular brand.

Oscar Feldenkreis, president of Perry Ellis International, said in a press interview: "Delta is the perfect partner. It can realize Original Penguin's quality and aesthetics and is a leading manufacturer in its field. Its team is renowned for its design abilities and innovative products and textiles.

The first part of the collection manufactured by Delta will hit the stores in the US and Canada this coming Christmas, so that they can be included in the holiday's gift selection. The entire collection will be launched in spring 2014.

### Cooperation with Lacoste

Lacoste, who is expanding its activity into men's underwear, chose Delta to manufacture its new line, which is expected to hit the stores in spring 2015. Delta received a five year global franchise, which includes the design, development and manufacture of men's underwear as well as leisure wear and sleep wear for the international brand.

Comfort and elegance alongside quality and innovation will characterize the new line of products. The new collection will be sold in Lacoste stores and unique boutiques.

Jose Luis Duran, CEO of Lacoste: "Delta's team understands our vision perfectly. Our choice to work with Delta reflects our aspiration to enjoy its expertise, so as to develop a line of underwear that complies with the highest quality standards."

The acquisition of franchise rights, alongside the purchasing and development of brands is part of Delta's growth strategy, which alongside the development and production as a private label, increases its market share as a brands' company as well as a franchise producer for leading global brands.

Isaac Dabah said that the partnership with Lacoste, for the creation of a collection that embodies the values and style of the high-quality brand, is a true honor for Delta and added that a substantial percent of the joint business is intended for the 1,100 Lacoste retail stores and distributors worldwide. This business will be directed by the male team of D2 in the US, so as to ensure complete separation between customers of our private brand and the brands for which we produce under a franchise.

# 15 Years to Delta Thailand

สู่ต้นตวันครบรอบวันก่อตั้งบริษัท เดลต้า ประเทศไทย

On September 24th Delta Thailand (TPG) marked 15 years of activity in a festive event attended by the 880 company employees. TPG was established in 1998 and acquired by Delta in 2004, it produces about 15,000 products each day, mainly bras and sports-bras, while implementing innovative fabric and manufacturing methods.

93% of the products are intended for the American market, 5% for Europe and 2% for Israel. Among the company's clients: Under Armour, Calvin Klein, Victoria's Secret, JCP, Marks & Spencer, Hugo Boss, DIM, ETAM and others.

In 2012, 99.75% of orders were supplied on schedule. Good job and we wish you good luck on your onward journey!



# burlen

## is Growing!

**burlen**, Part of DG USA, Closes 2013 with a Boost in Sales!

Burlen, Delta's private label division in the U. S., has grown to become a market leader in intimate apparel. **Steve Klein**, Burlen's CEO, continues to successfully lead the company his grandfather founded, even after it was acquired by Delta Galil in 2004.

Burlen was founded in the 1950's under the name "Fitzgerald Underwear" with three manufacturing facilities in the southern US, as well as a New-York based sales office. As production moved overseas, the company settled itself in a headquarters in Tifton, Georgia, which handled distribution, finances and production support in parallel to the sales and design office in New York. With a deep understanding of the mass retail market, Burlen successfully entered into the 21st century. Production is now based mainly in China and the Dominican Republic. Today, Burlen employs a staff of 36 in New York and approx. 100 employees in Tifton.

Burlen designs and produces intimate apparel for key customers, including Walmart US and Walmart Canada. Burlen provides replenishment and fashion items to regional and national department stores, such as Dillard's, Macy's and JCPenney, as well as to specialized retailers including Soma for women and Justice for girls.

### Excellence in Design and Meeting Market Needs



**Marissa Feldman**, Director of Sales and Merchandising, Burlen: "Burlen excels in graphic design and has an innovative design style. The hard work we have invested has generated results, including a substantial increase in our business with Walmart during 2013. We are now focused on women's underwear and girls' innerwear. Sleepwear and underwear for children and teens are categories that are currently growing."

### Plans for the Future:

**Marissa:** "Burlen aspires to continue to realize its successes and preserve its reputation as a leading supplier of intimate apparel. In 2014 we plan to increase our presence in new categories including sleepwear, and are working towards maximizing the Seamless products business, currently the fastest growing category."





"The hard work invested brought results, including a significant increase in our business with Walmart in 2013."



"People are the source of our success! Warehouse and distribution teams, employees in the color labs, packaging department staff and every other job in the company, including the team in our New York office."



# THE NIKE AWARD FOR DELTA'S ELITE SOCKS!

**DELTA'S PROFESSIONAL BASKETBALL SOCKS CATEGORY PRODUCED FOR NIKE WON THE 2013 MAXIM AWARD • "2013 WAS THE YEAR IN WHICH A SINGLE SOCK BECAME A COMMERCIAL POWER-PLANT!"**

The ELITE socks category, developed by Delta's socks division in cooperation with Nike's SOCK COE\*, was awarded the consumers choice award at the company's annual MAXIM AWARDS competition. Gur Dror, Manager of the Socks Division: "This particular choice is an especially significant compliment because socks are not a glamorous product in comparison with Nike's footwear selection and other special accessories. This is the second time ever that a product belonging to the socks section is nominated in this competition, and the first time in the history of Nike that the MAXIM AWARD is awarded to a sock. The ELITE 1.0 basketball socks series, manufactured by Delta for Nike, has been at the top of Nike's best-selling items list in north America for over 100 weeks now. Our colleagues at Nike were extremely supportive and complimentary of Delta's contribution to this success."

Steven Karas, Nike's Socks Development Manager, thanked Delta teams in Israel and in the manufacturing plants for their support in the series' creation and manufacture: "In the ELITE series we created a new culture, and this is, in fact, the essence of a wonderful product. We could not have done this without the partnership of Delta's team." Upon introducing the series to consumers on Nike's competition website, it was written: "Elite socks can be seen everywhere today. They are eminent in their design and colorfulness, they enable consumers to show their team solidarity alongside their individual style and have become part of the teen "uniform." The extraordinary popularity motivated the launch of additional lines that offer a wider selection of performances, colors and design styles." 2013 was the year in which a single sock became a commercial power-plant!

\*COE – Center of Excellence



The basketball elite sock- CONSUMERS CHOICE FOR BEST PRODUCT.



# New Categories for New Markets

Interview with Esti Maoz, CMO (Chief Marketing Officer), who leads Delta's innovation strategy • "Innovative fabric technologies and incredible design result in a perfect product!"



**Esti Maoz**, Delta's CMO, is one of the company's founders and is responsible for new developments, categories, areas and divisions that she has managed and led over the years. In this article, she talks about two new categories: the TOPS category that is developing into the "Tops" garment area, defined as one of Delta's new growth engines, and the NEW GENERATION DAYWEAR category as part of the women's underwear area.

**Esti:** From the very beginning we have been increasing our business through innovation. We aspire to offer added value to brands and retailers, supporting their positioning, and having a real influence on the market by creating a real market need. The focus on products that have added value for consumers is what has made Delta's design and development teams essential partners to our customers – leading global brands of intimate apparel, sportswear

and leisure wear. Innovation is our passion, and yet, we develop it using a methodical and logical process, with long term thought and paying close attention to key products with substantial volume. We focus on high-quality products that are affordably priced. An additional important principle in our development of innovation is to make efficient use of existing knowledge and resources, connecting and developing them, so as to meet new needs.



# New Categories for **New Markets**

"We are realizing Delta's technological and design capabilities by developing a new and particularly attractive leisure wear category that can be worn for sports or with denim."

Quality is Always in Fashion – Our New Tops  
Let You Look Great and Feel Great.



“As women, we always want to look great, as in ‘one size less’..... so we created underwear that meets the two meanings of ‘FLATTER’ – it flatters but it also flattens.”



NEW GENERATION DAYWEAR – the product that works for you – a combination of lightweight and strength; a natural hug that supports and wraps the body, with the comfort of daily underwear.

## ▶ OUR NEW TOPS – Making an Entrance into the Tops Market

Esti: “The new tops category now under development is aimed at what is currently one of the largest categories in the world - a top that is part of our leisure culture, one that you can wear to the gym or to the beach, the jeans and t-shirt look, and yet, it can also be worn with a Prada skirt...”

For us, this is a new category; it's not part of our traditional sleepwear or underwear segments, but a top that can be worn to exercise in or with jeans. The global trend has moved toward softer, thinner fabrics, which, as manufacturers of “first layer on the body” garments, is our specialty. This category has the advantages of our tremendous fabrics. We are able to create an item that preserves its qualities over time, thanks to our unique technologies: RLC (Real Lasting Cotton), which allows a garment to look brand new even after many wash cycles, RLS (Real Lasting Softness), which keeps the fabric soft and RCC (Real Cool Cotton), which pulls moisture away from the body. The functional combination offered by all three technologies, alongside the beauty of the fabrics and attractive design, make our garments uniquely special.

We presented some of our beautiful garments for men and women to customers during our US Road Show and received an overwhelming response. In Israel, we have already launched RCC tops (tops made of sweat-evaporating cotton) which are proving to be a great success. This category proves once again that the combination of advanced fabric technologies

together with Delta's beautiful designs creates perfect products - and this is only the beginning!”

## NEW GENERATION DAYWEAR

The Perfect Daily-Wear Underwear – as Flattering as a Shaper!

Esti: “The new generation of daily wear underwear is a result of conceptual thinking based on our knowledge and familiarity of the market and understanding of our customers’ needs. This is a new product category that sits between shapers and regular underwear. Although Delta develops and manufactures comfortable shapers, not every woman wants to wear a shaper every day, and wearing a shaper with pants may be problematic too. Still, women want to look good and for their bodies to appear smooth without any protruding parts. This is the need that this new category aims to meet. As women, we always want to look great; ideally, “one size less”, and this new category will offer beautiful, airy underwear, made of thin “breathing” fabrics, with just enough flexibility to naturally hug the body, and with just the right support while still providing the comfort of an ordinary pair of underwear. Our perfect underwear defines the two meanings of “FLATTER” – it flatters the natural contours of the body and it also flattens. The product is soft and see-through, and is characterized by a sleek feminine design. We created a few shapes and lines using cotton and combining synthetic fabrics and are now in the final stages of development and marketing.”

REALCOOL  
COTTON

ReaLasting™  
COTTON

ReaLasting™  
SOFTNESS

To manufacture the best product with the most advanced technologies: soft and pleasant to the touch, withstands repeated machine washes and retains freshness over long periods of time.

# Entering the Digital Age

Digital influences are reshaping the way brands and companies tell their stories. These influences are continually creating new methods and new opportunities for communication, inside and outside of the organization.

**Delta's new website is going live and is intended to attract the attention of all of the company's stakeholders.**



**Hila Ephrati Halper,** Marketing Communications Manager: "Our new website is a significant asset for the company, at the organizational and managerial levels, as well as at the marketing communications level. We chose to set out on a new path, one that would enable people to clearly understand Delta's full story."

As a company that wishes to develop and open up to the digital and social arena, we are committed to being accurate and relevant – at the right place at the right time. We are committed to getting as close as possible to the pulse of our customers and stakeholders, to better understand their needs and requirements.

In the new website, alongside updated visibility, we offer accessibility and greater transparency into what goes on inside Delta – the people, products, processes and more. We added a human touch that creates closer contact, which is more personal and more reliable. It is important for us to provide customers with relevant company information on what's happening inside, to encourage involvement and long term loyalty.

**"Alongside updated visibility, we are offering accessibility and greater transparency into what goes on inside delta – the people, products and processes."**



From the website – [www.deltagalil.com](http://www.deltagalil.com)

# WWW.DELTAGALIL.COM

CLOSER TO OUR CUSTOMERS



**DELTA**  
GALIL INDUSTRIES LTD.

The new website is part of a strategic plan with the power to influence the development of further digital assets and innovative marketing. The plan we devised presents an innovative approach to advertising, marketing and organizational communication.

This is a strategic, image impacting, value-oriented, and significant move for Delta. Together with digital company **Clutch Studio**, we conducted an in-depth mapping process of the core elements of the company. The website exposes and presents Delta, as we know it, to a much wider audience, reflecting a global, growing, dynamic, multi-dimensional company that people will want and will be able to connect with. The website will also include updated blogs, new media channels, and soon, extend into social networks. All of these will emphasize and present Delta's innovative spirit and added value over its competitors.



▲ History, global performance, innovation and our brands, coupled with our unique Delta Spirit make Delta the special company that it is!

The preparation and creation of this website is a product of a combined effort and teamwork by the Information systems department, marketing department, GDM and Graphic design department. This is a wonderful opportunity to thank **Gabriel Levy**, Delta's Global Information

(CI) and Portal Manager, responsible for data collection, and the Graphics Team Manager, **Iris Heller**, who was responsible for the website's design together with the team from Clutch.

The new website is part of a strategic plan, which has the power to influence the development of further digital assets and innovative marketing efforts. The plan we devised presents an innovative approach to advertising, marketing and organizational communications.

# SCHIESSER

is Proud to Present:

# ARTISTS FOR REVIVAL

## Heritage & Future - Art & Fashion.

Schiesser marks a decade of its unique brand revival in a spectacular art project. 10 international artists have designed a special edition of revival's classic double rib singlet turning the popular top into a work of art.



This last summer the Schiesser Group marked 10 years of Schiesser REVIVAL, its distinctive and successful awsignature brand, which is in itself a unique fashion statement that incorporates traditional values, quality and ground breaking modernization. This milestone was celebrated with the cooperation of ten known international artists, among them **Tobias Rehberger**, **Sarah Morris**, **Monica Bonvicini**, **Marc Brandenburg** and **Pola Sieverding**, all of whom were invited to offer their own artistic interpretation to Schiesser REVIVAL's classic singlet. The artists' original designs were slightly modified before becoming part of a special edition line of designed singlets for men and women. As part of the project, **Andrea Stappert**, a renowned photographer on the international art scene, was invited to capture the artists wearing the white singlet. Her sensitive portraits stand to emphasize the concept's authenticity.

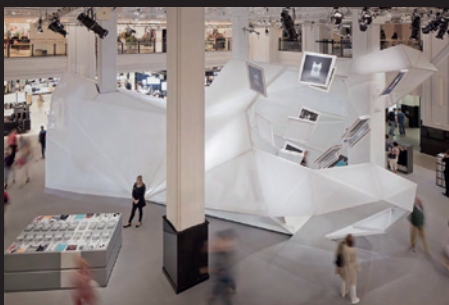
### "Designing the Future"



**Rudolf Bündgen**, Schiesser's CEO: "During the course of July we presented the project at the Atrium and in 10 display windows of KaDeWe Department Store. During Berlin's fashion week the artists' portraits and the limited edition singlets were on display at Bread & Butter. The concept was also presented at the Schiesser flagship store at Hackescher Markt in Berlin. Our activities also received great reactions when the sets were presented in August at ALSTERHAUS in Hamburg and OBERPOLLINGER in Munich.

The celebration is expected to continue for ten additional months while the sets are presented in different locations. Among those interested in presenting the artistic concept are: art galleries, selected customers, China's Heritage exhibition and others. The singlets will also be sold in museum stores, including the Hamburger Bahnhof Museum of Modern Art in Berlin and the Haus Konstruktiv Museum in Zurich."

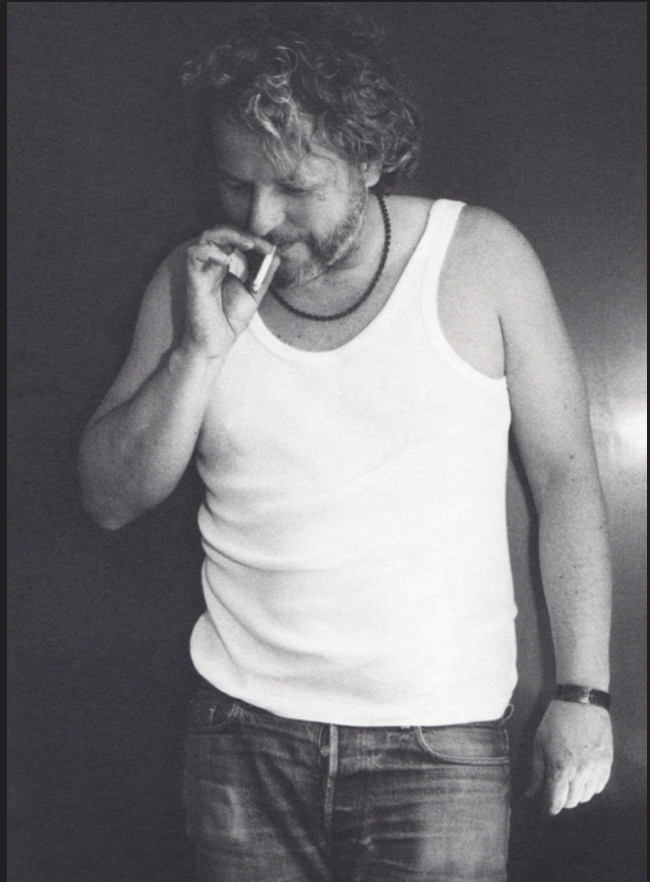
\* Schiesser, Germany's leading underwear brand, was purchased by Delta in May 2012 as part of its strategy to expand its branded activity. As part of Delta, Schiesser strengthens Delta's presence in Europe and its Men's Undergarments segment.



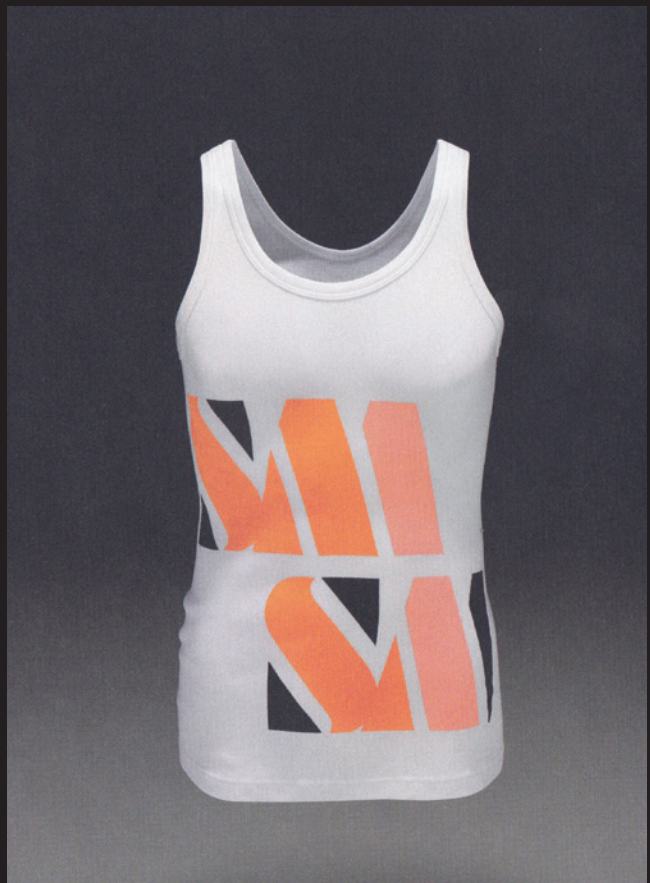
ARTISTS FOR REVIVAL at KaDeWe, Berlin, July 2013 – the Classic white singlet has become a piece of art. In the pictures: the entrance to the building and the spectacular exhibit at the Atrium, display windows and the artists' displays.

Video

Under Cover



Tobias Rehberger and the singlet he designed



Sarah Morris and the singlet she designed

It's a Pleasure to Meet You!

# The **WONDER WOMEN** Team

**An especially creative interview with Smadar Aharonson, Head Designer – Women's Segment, and an introduction of the Women's Segment team**

Our design team includes product designers, textile designers and development coordinators. You are invited to meet the women behind the scenes and hear what they have to say about design, innovation and creativity...

Smadar Aharonson,  
Head Designer – Women's Segment:

*"Success is a fact between  
a dream and courage."*

## How is a Product Born?

Smadar Aharonson, Head of the design team responsible for Delta's female customers, joined Delta 11 years ago, and tells her story: "Once we recognize a market need, we start 'rolling out' an idea, which eventually results in innovative products. Sometimes they appear simple, sometimes complex, but they must always meet the basic requirement - to suit the general public and not be a niche product, so they can become high volume growth engines." "For people who deal with a daily demand for innovation and creativity, thinking outside the box becomes a way of life. I'm happy to have the opportunity to open our world up to our readers, the world of our design team, and tell them a bit about how we create and realize cutting-edge products in the world of undergarments. You might ask, 'What more can one innovate in undergarments? It's just another pair of underpants...!' But this is precisely the point, it's an entire world. To the outsider, it's unclear where we begin, what goes on in a designer's head, what inspired her, how materials were selected, and how they were put together to create a product that 'doesn't exist in the market'. In our world, several disciplines work hand in hand. It's ultimate teamwork, incorporating technology and textiles, defining the need, the marketing tools and the aesthetics at the highest level - and it's not easy."



720° Degrees Stretch Technology –  
A product that provides a perfect fit for every body.

"For people who deal with a daily demand for innovation and creativity, thinking outside the box becomes a way of life."



Yael Klein Sapir, Textile Designer:

*"Creativity is... to see something that doesn't exist. You need to find a way to realize it and this way, be a part of the creation game."*



**Body before fabric™**

Body Before Fabric – Delta's philosophy incorporates a creative transition from passion to solution!

Iris Yemini Basson, Designer for ETAM, SPANX and WACOL, specializes in body shapers:

*"To design and create, with lots of love, and art for the masses."*

Nurit Cohen, Designs for HEMA, WACOAL and UNDER ARMOUR:

*"At the heart of the challenge lies the opportunity."*



**Body Shapers Category –**  
The ultimate combination of unique textiles and advanced technologies.

**New Tops Category –** Made from innovative, new, high-quality textiles; combines innovation and quality. Because quality is always in fashion!

**Methodical Innovation, Optimism and Excitement...**

Smadar: "The innovation process does not begin on a particular day or even twice a year. It is a never-ending process. Only through contemplation and trial and error, materials arrive at the table where the entire process takes place. Every idea is welcomed and every thought is correct. Statements such as 'you're wrong' or 'you're right' are irrelevant when you're trying to find something that is different, new, and doesn't yet exist. And I have to say – it's an exciting process. It may sound emotional but in order to create 'something from nothing' you have to be optimistic, enthusiastic, daring and forever excited." "It's also important to understand that the processes are long and results take a while to see. But when you do find the right direction, suddenly the textile is successful, and the product brings with it a new flavor. We then recognize that we have a real and interesting opportunity. The parts of the puzzle fall into place and we've given birth to a 'new baby'."

Neomi Berda, Project Manager:

*"The imagination draws our future!"*



**Hi-Tech Bonded Technology**  
– When advanced technology meets textiles.



# The **WONDER WOMEN** Team

Reut Yelin Alush,  
Designer for Calvin Klein,  
LULULEMON and Joop!

*"Every time we say 'let it be' -  
in any form - something  
new happens."*

Sapir Tzur,  
Designer for Victoria's Secret:

*"Creation is life  
experience, thoughts,  
intelligence. If we don't  
live the creation, it  
won't be able to grow."*

**RealLuster Technology** -  
Combining luxurious luster with  
softness and flexibility.

**RealLasting**  
COTTON

**RealLasting Cotton** - Cotton that  
remains brand new over time.

For many years Delta has been delivering leading, value-added products to its customers, positioning us as an innovative, valuable supplier to work with.

Our top tier customers only purchase products they cannot find anywhere else in the world. These are products developed through strenuous thought processes and the integration of many talents from many disciplines.

## Tell Us About the Team and the Dynamics in the Workplace

**Smadar:** "We are an energetic and dynamic team of women (most of us are also mothers) that really enjoy being together. My motto is that a person that deals with creativity has to be in an environment that enables one to be creative and allow for ideas to come up. About 80% of our work day is dedicated to pure innovation, to developing the BIG IDEAS, while the rest of the day goes to taking care of customer requests."

"We are a supplier that is identified with innovation and high-level design. Customers wait to see our products. We tell them a story, the same story they will tell their end-consumer in retail outlets. We provide solutions and create what doesn't exist, we try to think in an original and unique way, and we do all this for the many diverse categories in which Delta operates - from bras and underpants to shirts intended for wear on the way to and from a sports activity."

Shira Hever, Designer for  
Victoria's Secret and Delta Israel:

*"Our creation has a  
life of its own. We  
just try and let it  
come out."*

**Soft Sports Category**  
- Soft, comfortable  
products to wear before,  
during and after exercise.



Alissa Carmi, Textile Designer:

*"Most dreams are executable, but only a few of the executions are real dreams."*

**ReLasting**  
**SOFTNESS**

Real Lasting Softness Technology - Keeps the garment smooth and wrinkle-free for a long time - even after repeated washes.

**Describe the Creative Process, from Idea to Product...**

**Smadar:** "Our task is to think beyond familiar perceptions, to arrive at new ideas, and of course, a high level of aesthetics. We realize the new technologies in order to offer products with added value, including looking smart and unique at a reasonable price, comfort, softness, and functionality – all with a perfect fit and a unique look."

"Our starting point is always 'What is the next big thing?'. We are exposed to developments, we attend exhibitions and acquire information on trends and innovation in threads and textiles. The textile designers and the technology experts from the textile department are exposed to innovation at the thread level. We create a 'trend book' that shows global trends, from consumer behavior to color plates. We begin to recognize areas or directions that will allow us to come up with new, innovative products. We all get together, technology and design teams, and we start to lay out our experiments and trials, alongside new fabrics. Even something that appears preliminary may help us understand the potential for functionality or a unique look. The task is to incorporate the unpredictable with the relevant, to create an innovation that meets a need. The development continues until we succeed in properly realizing the concept."

**An Invitation to be Included!**

**Smadar:** "We are currently establishing a process where we will be able to include everyone at Delta in projects that are ready to be presented to customers. This inclusion will take place through our **portal**. As an enterprise that pioneers innovation, we take special care in preparing all the information required for the marketing process and for the products that are ready for sale. We invite you to participate, take an interest and use these great materials."

**What Do You Wish Delta?**

**Smadar:** "On behalf of our entire team, I wish all of us a winning, innovative, creative future – and that we should always aspire to lead and succeed."

"For years, Delta has been bringing its customers leading products that incorporate added value – the result of strenuous thought and the integration of many talents from many disciplines."

Aviva Levi,  
Development Coordinator  
(agrees with Einstein):

*"Imagination is more important than knowledge."*



**New Generation Daywear** – A new generation of underwear that gives the appearance of one size less.

# We're Better **Tog**

## Synergy and Cooperation Improve Results

Delta Israel is on the rise – grabbing momentum and improving their organizational processes, as well as their marketing and logistics operations. Parallel to expanding their categories and strengthening their positioning, the company is making more use of resources and innovation from Delta Galil, the holding company, producing globally and delivering to the Israeli market. The **DELTA SMART** collection encompasses a variety of technological products with the aim of supplying exciting, comfortable, smart solutions to their customers. During 2013, the company launched a new bra collection (**DELTA BRAVO**), a **diverse tights** and **leggings** collection, and a sportswear collection (**Pro-Active**), for men and women - all based on advanced technological developments. The new winter collection is currently being marketed, and clearly shows the innovation, professionalism and the performance of the **'One Company'** approach.

### New in Delta's SMART Winter Collection 2013-2014: Invisible Underwear

As part of the lingerie collection, Delta Israel launched the **Invisible** line – high-quality underwear with flat finishes that are invisible through clothing. The underwear is made from a unique 720 Stretch fabric that can stretch twice as much as a standard stretchable fabric. The thin flexible microfiber sits comfortably on any body and gives an especially pleasant experience. The underwear, marketed in a range of shapes and colors, has already received a great response from customers.

### And Now Come the Shapers!

Following the global revolution that Delta Galil achieved with its shapers in December, Delta Israel is launching two new shaper collections under the brand "Nearly Nude."

- **INVISIBLE SHAPER** – The line of invisible shapers is manufactured with cutting-edge technology, laser cuts and additional shaping support. This line includes a dress, boxer shorts and high waist shaping underwear, made of a thin elastic fabric that merges with the body to create a perfect silhouette.
- **SEAMLESS SHAPER** – The line of seamless shapers includes high waist shaping underwear and boxer shorts, both with a wide belt for the waist area.



▲ The new "Invisible" line – underwear that's undetectable under clothes.

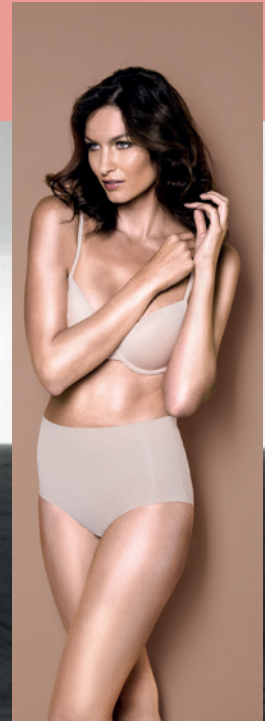


# ether!

Nearly Nude is the ultimate fashion solution, designed to give a smooth and sculpted look without giving up on comfort. The invisible shaper is made of flexible, thin fabric that provides excellent support and uncompromised comfort, so much so that it's suitable for daily use. The brand, owned by Delta, was founded in 2005 by designer Lucy Hosken, who intended it for the Australian market. The Nearly Nude team continues to develop innovative designs, and currently, Nearly Nude shapers are marketed in hundreds of stores worldwide, including: Japan, USA, Britain, Canada, Singapore, Indonesia, New Zealand, Hong Kong, Sweden, France and now, in Israel too!

SEAMLESS SHAPER

INVISIBLE SHAPER



Ninet wearing a shaper dress from the Invisible Shaper line - uncompromised comfort undetectable through clothes.



Video 



# We're Better Together!

“Delta Galil are very involved both in the development of fabrics and cuts and in providing insight through what has been learned from the sales data of parallel groups overseas.”



**Gilat Majerowicz**, Commercial Manager, Women's Department, Delta Israel: "In the advanced shapers collection, we implemented Delta's knowledge and experience from our global activity, while in the shapers area, we adjusted the products to the Israeli consumer. The launch of the collection in stores was accompanied by a campaign presented by Ninet."

"There is a very strong synergy between Delta Galil as the developer of products and fabrics and Delta Israel that markets them in the Israeli market. Delta Galil are very involved both in the development of fabrics and cuts and in providing insight through what has been learned from the sales data of parallel groups overseas."



Video

## MATCHTONIM Campaign Wins the BEST ADS Award

The TV commercial for MATCHTONIM – Men's underwear from the DELTA SMART collection – has been chosen as October's best TV commercial by the global website Best Ads. The selection process was made by a team of senior creative executives from leading advertising firms.



**Galit Baron**, Advertising and Marketing Director, Delta Israel: "The Best Ads website is one of the leading creative websites in the world. Every week, it collects and votes on the six best global ads in these categories: print, media, radio, interactive and TV. Our campaign was selected as the best TV commercial in a category considered the most challenging of all – and we are very proud. To date, only very few Israeli ads have been selected by the website in this category."



Presenter Ninet Tayeb from the hot commercial for MATCHTONIM – men's underwear with Real Cool Cotton Technology, prepared for Delta Israel by the ACW Grey advertising agency.

For details, go to: <http://www.bestadsonline.com/ad/573332/Delta-Lingerie-Keep-them-cool-matchtonim-underwear>:

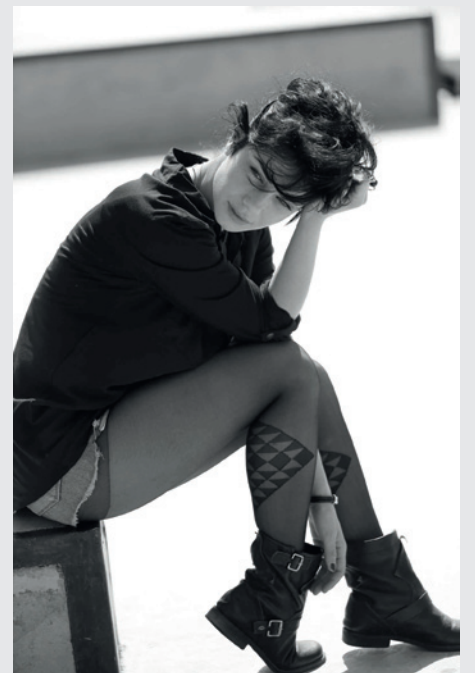


## First Ever - Delta Israel Presents: Ninet Tayeb – The Collection

In November, Delta Israel launched a unique line of products designed by **Ninet Tayeb**, the company's spokesperson for the third consecutive season. Ninet is a talented Israeli musician, actress and fashion icon, leading every fashion trend and making it an instant source of inspiration. The new collection is the result of the cooperation between Ninet and Delta's fashion designers, who partnered to co-create a line that gives a different and updated interpretation to items in the women's collection. Ninet's unique style was naturally imbedded into the collection that includes a variety of shirts, tights, hosiery and short socks. The daily collection – comfortable yet exciting – was designed with a laid back but modern look. It includes a combination of fabrics in a variety of textures and different dyeing and printing effects. Ninet was a hands-on partner in designing the shapes, prints and colors and gave her opinion on every detail. The colors that dominate the collection are Ninet's favorite – all shades of grays, black and purple. The range is accompanied by the slogan: 'Your Private Zone', a message to women that expresses the aspiration of improving women's position and empowering them. This collection is just the beginning; additional innovations are expected in the near future.

**Linked to the collection is a special community project: 10% of profit from every purchase from Ninet's collection will be donated, on an ongoing basis, to "Beit Hashanti" a safe house for troubled teens located in Tel Aviv.**

Some of the designs from Ninet's collection: crocheted tops with cotton and lace; hosiery with geometric prints; hosiery with the horse icon from Ninet's world – appears as a 'tattoo' or recurring motif on the seamless microfiber no-show socks in a variety of prints.



# Development Program for Delta's Store Managers



Store managers' Development Training, July 2013

Store managers get their wings – at the end of the training course, participants received a graduation certificate and a winged metal pin.



Between January and June, 2013 Delta Israel held its first training course for the development of Delta's store managers. Delta Israel has 150 stores and the program was created especially for their store managers, who are mostly women. The aim of the program was to strengthen the management skills of the chain's managers, to improve recruitment, absorption and training processes, and to increase employee loyalty. The five session program included practical workshops, discussions and simulations, and was attended by over 130 store managers divided into small groups according to location. The sessions were led by human resources and training personnel together with local area managers.



**Roi Ben-Nun**, Delta's VP Sales: "Retail sales are characterized by a lot of competition and a high turnover of staff. Store managers have a central role in the chain's success.

Their role is multi-layered, and beyond the operational responsibility and required skills in sales and customer service, the store managers are responsible for leading their teams, preserving their teams, and developing up and coming managers who will continue to work in the chain. We see the store managers as leaders that must be models of excellence for their teams. Each one is essentially running a business unit and good managers will lead their teams in each of the professional areas and help to develop a generation of young managers. We

aspire to creating a team of training managers that will assist us through a structured process, to preserve our most talented employees and develop young managers for our fast growing chain."

**Ronit Camron**, HR Manager, Delta Israel: "The aim of the training program was to improve and enhance the managers' managerial skills, and its content was planned and created together with area managers and the chain's management. The training included sessions by guest lecturers from Delta, such as **Margalit Garamé**, Delta Israel's Compensation & Wages Manager, **Adi Vernik**, Headquarters Manager of the chain's stores, **Hagar Nave**, responsible for customer service, as well as non-Delta lecturers. **Meital Asulin**, manager of the chain's visual commercialization, led a practical session that demonstrated how a store's overall look affects sales, while the company that manages the 'Undercover Customer' process shared their insights and discussed areas that required improvement."

Additional topics covered included: management styles, employee selection and recruitment, how to handle absorption, and training and mentoring to ensure a high level of professionalism and commitment. During the training, participants received the 'Training and Accreditation' handbook, prepared by the chain's HR team. The book served as the basis for the accreditation exam, which all participants passed with flying colors. By the end of the year, all store teams will be required to pass the exam. The exams were conducted by Oshart Naor, HR and Training Coordinator,

together with the chain's headquarters staff. After completing the exam, salespeople stayed on for a team activity with Yosi Sela, the chain's Back Office Coordinator, who also provided tips on working a cash register. The training exciting closing session was held during the Pre-Sale Exhibition in Tel-Aviv, and was attended by Noam Lautman, Chairman of Delta, and Zvika Schweimer, CEO of Delta Israel. It included a moving conclusion of the program's events, certificates were given to all participants, and the group watched a movie describing the personal experiences of several of Delta's managers during their absorption and growth in a global company.

#### What Do the Managers Say?

**Ronit:** "In the feedback questionnaires we received at the end of each session, attendees expressed their satisfaction regarding the company's investment in content that was relevant to their work. Professional training, including training aids such as exercises, presentations and movies, and even the accommodations – whereby managers from southern Israel, a region that underwent attacks and tight security, received special attention. The simulations simulated real life situations and the managers learned from each other, shared their concerns, and together, came up with possible solutions for real managerial situations. Upon completion of the various tasks to be accomplished between sessions, we saw each manager's willingness and openness to learn."

#### What is Expected in the Future?

**Ronit:** "We will continue the management and team development processes. The development program we created will become a basic management course, which will be part of the store managers' training program. Another activity will be training the training managers who will mentor and oversee new managers in the chain. In parallel, we are developing an advanced management course, a continuation to the store managers' training that will address more advanced topics and commence in 2014. Congratulations to all of our graduates and to all Delta employees! We wish you all the best of luck on your continued journey!"



# The Product is King



## Delta's 2013 Product Conference • Touch the Products, Share the Process, Feel the Cooperation

Three Product Conferences were held during 2013. The first was held in April – A **general products conference** attended by representatives of all Delta business units and hosted at Delta Galil USA. Following this conference, in August, two additional product meetings were held focusing on **children's clothing** and **socks**.

The first conference was attended by managers, sales and marketing staff, developers, designers and others, from Israel, USA, Britain, Germany, and more. The event's formal invitation stated: "The aim of this meeting is to learn from one another, as well as to locate and develop additional business opportunities out of the existing businesses and products currently being developed." The conference was unique in that it focused solely on products. All participants gathered in one venue to display key products from all business units, including: best sellers, in-store products, new products being manufactured and innovations for the upcoming season.

**Esti Maoz:** "The product is the company's essence. At the end of the day, all of Delta's thousands of employees do everything to create the most interesting and innovative product."

**Isaac Dabah**, Delta's CEO, gave the welcome address, emphasizing the importance of focusing on the product and realizing synergy within the company. **Esti Maoz**, Delta's Chief Marketing Officer, gave a session on trends, and representatives of each unit made a short presentation on the unit's current and future products. At the end of every presentation, a short discussion was held in which the speakers answered participants' questions.

Each department also prepared a dedicated LOOK BOOK that included pictures and information on its products. The information was taken from each department and made into an updated product book to be used by all departments.

### Reviving the Tradition of the Product Conference

**Esti Maoz**, who initiated the revival of the Product Conference, explains: "Delta's international conventions usually deal with business, budgets and strategies. Through the

Product Conferences, we revived a long-standing tradition of product focused meetings. In the meeting held in April in the US, sales people, development staff and design staff from all over the world came together. For the first time after many years, the products were the center of attention – because that is the essence of the company. When all is said and done, all of Delta's thousands of employees do everything to create the most interesting and innovative products. We gave every department an opportunity to "show off" their new developments and best sellers. The objective was to share, to give and to receive. Participants were eager to give and the atmosphere was very positive and welcoming. The message that was communicated through the meeting was "We have a treasure in our hands, use it!"

"Following the success of the first conference, we decided to hold such events twice a year on a regular basis, alternately in Israel and the US. Even though the first meeting ran over two days, there was still not enough time for shared conversations, analysis and deep discussions on the supply chain, pricing levels, the best places to manufacture and similar topics. We have taken this into consideration and we will plan for it in the next meeting."



# The Product is King

Delta is one of the leading companies in the world in the socks segment. Technology and innovation have turned Delta into a leading partner for top global sporting brands.

## Learn and Apply: Looking into Cooperation – Childrens’ Product Conference

A one-day childrens’ fashion product conference was held in New York in mid-August. Kids fashion is an area that is expanding and becoming more professional at Delta, led by Gloria Dabah, Manager of Delta Kids. Isaac Dabah, and Zvika Schwimmer, CEO of Delta Israel also attended the event, together with managers, designers, and other team members from Delta Kids, Maidenform Kids, Delta’s licensee, LittleMissMatched, the American brand acquired by Delta and TAG-Li, an Israeli brand owned by Delta, which in recent years has begun developing new categories, alongside its longtime activity in the socks segment.



Zvika Schwimmer, who also participated in the products conference, which dealt with socks, comments: "In the children's product conference we looked at needs and

fashion trends for winter and summer 2014. We became familiar with Delta's new brand LittleMissMatched, which is continuously changing, resulting in many surprises in an updated and colorful collection. This innovative brand is continuing to expand in the USA and will soon be marketed and sold in other countries. In addition, we began thinking and

looking at clothes and intimate apparel for girls and boys by Maidenform Kids.

Maidenform's children's line is already marketed in the USA, and we discussed the possibility of developing a joint line by Delta and Maidenform for next year. We also discussed the possibility of the development of an updated, alternative unified brand for intimate wear that will be made by Maidenform Kids and Delta Kids and sold in the markets where Delta operates. TAG-Li's brand representatives presented their line of intimate wear and sleep wear, segments which have been developed by the brand only in recent years."

### Product Conference: Socks Segment

Delta is one of the leading companies in the world in the socks segment. The technological level and innovation have turned Delta into a leading partner for top global sporting brands, including Nike's line of sports socks and

international franchises by Converse, Wilson and Kenneth Cole, to which Columbia's socks production was added in January. Alongside its global leadership as a franchise holder, Delta, as a brand, is also the market leader of Israel's socks market: 80% of socks sold in Israel belong to Delta or TAG-Li.

Immediately following the children's product conference, a sock conference was held at the D2 offices in New York. The event was attended by managers, developers and manufacturers, including Gur Dror, Socks Segment Manager, who arrived from Israel, Sigal Refael, Manager of TAG-Li, Ohad Cohen, Socks Segment Manager at DG USA, and others.

Coupled with development and manufacturing, Delta also offers its international customers a wide sales reach. In the U.S., the company sells to JCPenney, Walmart, Target and other retail chains. During the socks conference, 2014 collections were shown and Isaac Dabah presented an initiative to expand markets and increase sales in the segment through unifying the capabilities within the company.



Gur Dror, Socks Segment Manager: "The main purpose, on our part, is to create synergy between different socks units within the company, through sharing and transfer of

technologies from specific areas and units to other areas. Some of the developments we introduce to the market were created as a response to global trends and there is room to adjust and implement ideas and aspects stemming from them to additional markets as well."

### In your opinion, what makes the Product Conference so special?

**Gur:** "Everything relates to themes of synergy and innovation. Promoting synergy is intended to spread knowledge from one part of the company to another so as to increase growth."

**Zvika:** "In each product conference I participated in, part of the focus was on the product itself, including answering questions such as: What is the right product? Who is its correct supplier? How can the company's synergy within the particular segment be improved? I am certain this focus advances the units and the entire company."







Continuing the “Green Passage”

# Delta’s 3rd Corporate Responsibility Report



Delta is ahead of schedule in achieving energy efficiency and carbon footprint targets. As part of the work processes on environmental issues, the company will define new environmental objectives.



Delta's 3rd Corporate Responsibility (GRI) report was released in July 2013. The report, which addresses the company's environmental performance during 2011-2012, was presented to various interest holders, including, managers and employees, customers and consumers, suppliers, government authorities, shareholders and others. Since its inception, Delta has been committed to environmental values and social responsibility, and in 2008, joined the corporate reporting trend. Since then, the company has been releasing its Corporate Responsibility report every two years. As a leader in the textile world, the areas faced by Delta, were defined at the beginning of their 'green' journey. Measurable goals were established for improvement in the areas of **energy and carbon footprint reduction, water and waste management, products, production, packaging processes and social responsibility.**

**Hila Ephrati Halper**, Internal Communications Manager, Community Liaison and Corporate Responsibility: "The release of the report and the company's goals serve as a binding statement for Delta's sustainability policy. Employees' and managers' affinity to this topic increases every year and the clear and transparent goals enable joint progress."

## **Environmental and Energy Improvements**

### **What Makes Delta's 3rd GRI Report Special?**

**Limor Spektrovski Kohavi**, Project Manager, Environment for SHER Consulting and Training, who oversee the environmental

process at Delta, comments: "During the reporting period, we can see clear performance improvements in a few key areas, including the reduction of energy consumption and CO2 emissions, a greenhouse gas that affects climate change. An additional special effort has been made to reduce the amount of waste sent to landfill disposal and increase the amount of waste that is recycled and reused. In addition to the ongoing activity with suppliers to improve the performance of the entire supply chain, this year the report regarding CO2 footprint has been extended to include scope 3 carbon footprint. In other words, this year's emission report also includes greenhouse gas emissions stemming from product and raw material transportation and shipping."

Together with the consolidation of the socks and seamless factories in Carmiel, now housed in the same building, the company switched to more efficient and advanced energy systems. Steam boilers, air conditioning and lighting systems underwent changes, including switching to economical T5 light bulbs. Further, the need for transport between the two sites is no longer required.

The new sock plant built in Bulgaria and Delta Israel's new logistics center in Caesarea (Israel), were constructed in accordance with green standards, including several energy-reducing elements – using natural lighting and implementing efficient and advanced air conditioning and ventilation systems. In Bulgaria, a technological change in production brought about





significant improvement in energy efficiency. This change entailed switching from a process that once used two machines, to a process where the work was accomplished more efficiently by one machine. The process has been checked and approved by the Bulgarian organization for energy reduction (BEERECL), and Delta Bulgaria enjoyed the financial support of the organization, which covered 20% of the cost of exchanging the machines.

### Switching to Environmental Management at Every Site

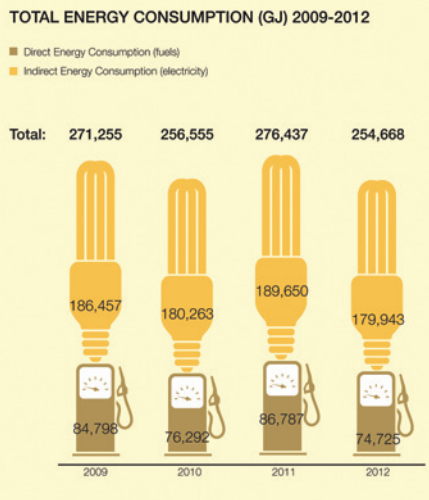
Limor: "A central process currently being implemented at Delta, is the appointment of a Green Officer at every Delta site. Each site has a manager who has been selected to coordinate the management of environmental issues for that site, responsible for promoting the issue, improve the site's performance and be part of a professional group of environmental managers at the site. This process will allow for a flow of information from each site to corporate management. Once we understand what goes on at every site with regard to existing environmental and technological solutions, we will establish environmental goals for each site through which the corporate goal for the entire company will be defined. This process will allow us to devise work plans for each site and achieve the different goals. We will also define a learning community that will allow sites to learn from each others' successful processes.

### The Human Element – A Global Family

"Delta sees its occupational diversity as a growth engine."  
 Today, Delta is active on four continents and eleven countries, where it employs more than nine thousand employees of different cultures – 79% of whom are women and 12% of whom are over 50 years old. The company is proud of its diversity and cultural heterogeneity, and sees in them significant values that greatly contribute to innovation and diversity and the overall business. In fact, Delta sees its occupational diversity as a growth engine!  
 "We are proud to be a global, multi-cultural company and we believe in mutual respect and co-existence within the Delta family, as well as

### Energy efficiency improvements and decrease in greenhouse gas emissions.

Changes in energy consumption – the goal set in 2009 to reduce energy consumption by 5% until 2015 was achieved in 2012 thanks to various company-wide energy efficiency projects.

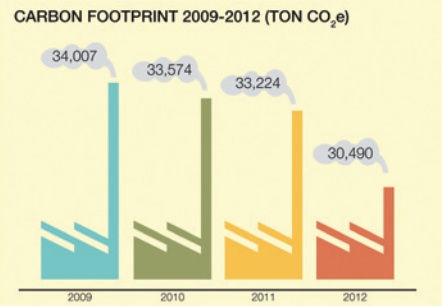


▲ Machine exchange project in Bulgaria lead to an energy reduction of 69,650 KwH in 2012.



▲ The report cover

### Decreasing the carbon footprint: 2009-2012, a steady, constant decrease in greenhouse gas emissions was noted





within the communities in which we work.” All of the activities in Delta are conducted according to work safety procedures and comply with the high standards Delta has set for itself. Delta’s site in Carmiel is certified and fully complies with the advanced standard for occupational health and safety management systems OHSAS-18001. All of our sites, safety supervisors and safety committees are in place, including employee representatives, and all of the company’s production sites undergo consistent stringent audits by our customers. The company ensures increased awareness regarding safety and hygiene issues through training and encourages employees to report any potential hazards, accidents and injuries. Between 2011 and 2012, a decrease in the number of accidents was reported.

**Shlomo Doron: “Safety is part of our quality.”**



**Shlomo Doron**, COO and Deputy CEO of Delta Group: “The commitment to a healthy and a safe work environment, coupled with the goal of giving employees an

opportunity to grow and develop with the company, are part of Delta’s mission. We feel fully responsible for our employees at all of our

global sites, and we are proud of our conduct at each location. Every site has a safety program under which all of the site’s safety related issues are handled. We manage safety exactly as we manage quality, and we actually consider safety to be a part of the quality. Teams from headquarters arrive at each and every site to ensure that procedures are maintained and that strict customer audits are passed successfully each and every time, showing the importance of this matter.”

**Delta and the Community**

**Hila Ephrati Halper:** “Delta’s social investment has also been increasing annually. During 2011 and 2012, through the cultural change in Delta, employee involvement in activities for the benefit of the community has increased, especially activities that combine employee volunteering. During this period the company also started to plan new, long-term, social investment plans, the fruit of which we will see in the next few years.”



**Employee welfare and a safe work environment as part of corporate responsibility**

**NUMBER OF SOCIAL AUDITS IN DELTA’S OWN PRODUCTION SITES (2012)**



\*100% of workplaces audited in all production sites

Objective external audits: during 2012, Delta’s production plants in Thailand, Israel, Egypt and Bulgaria underwent 22 audits

To read the full report, go to the company portal or visit the Delta website: <http://www.deltagail.com/Data/Uploads/GRI%202012%20Report.r.pdf>

# Technology and Innovation Trivia Quiz

Innovative technology and smart attractive design are what make Delta products - winning products. Significant innovation opens up possibilities for new products and categories and enables improvements to existing products.

Your task is to draw a line from each technology to the products and categories in which it is implemented.

**Note:** There are products where a variety of technological innovations are applied. To help you with your answers, you can refer to the articles in this magazine or the list of clues provided below.

Good Luck!



**ReaLasting™**  
SOFTNESS

**REALCOOL™**  
COTTON

Seamless

Here are some clues to help you:

- Delta is the first company to have made use of the round knit technology from the socks segment, to develop seamless intimate apparel.
- The ReaLuster technology combines a glamorous look with softness and flexibility, and is applied in a line of satin-like intimate apparel.
- Products from the shapers and new generation underwear categories are made from a combination of fabrics and advanced technologies to create an especially delicate, strong and flexible product.
- The 720 Stretch technology enables the product to fit the body perfectly.
- The technologies developed by Delta to safeguard the durability and softness of the cotton, enabled the creation of a new category of flexible, soft and comfortable cotton bras.
- Delta's leisure and sportswear apparel use liquid transferring fibers (sweat evaporating) and technologies which enable fabrics softness and durability over time.

**720stretch™**

**ReaLuster™**  
Best material

**ReaLasting™**  
COTTON

