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Global

JS 环球生活有限公司
JS GLOBAL LIFESTYLE COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock code: 1691

2020[🌿]

**Environmental, Social and
Governance Report**

Quality Products, Healthy Lifestyle



Quality Products, Healthy Lifestyle





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About this Report

This is the second environmental, social and governance (“ESG”) report (the “Report”) published by JS GLOBAL LIFESTYLE COMPANY LIMITED (“JS Global Lifestyle”, the “Company” or “we”), which discloses our performance in areas such as: 1) corporate governance and ethics; 2) product sales and customer service; 3) supply chain management; 4) talent recruitment development and retention; 5) workplace health and safety; 6) environmental conservation and management; 7) corporate citizenship.

REPORTING STANDARDS

The report was prepared in accordance with the Environmental, Social, and Governance Reporting Guide (the “Guide”) as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) with contents that comply with the disclosure requirements and principles under the Guide.

REPORTING PRINCIPLES

Materiality: In order to prepare the Report, the Company carries out the evaluation procedure of the significance of issues to determine the disclosure content of the Report and the detailed degree of each issue content. The evaluation process and results of major issues are presented in the ESG management section of the Report.

Quantitative: The Report discloses quantitative data in both environmental and social fields to show the performance of indicators.

Balance: The Company strives to achieve objective and impartial information disclosure. The contents of the Report come from the Company’s internal management documents, statistics and public disclosure information, as well as public media reports, without improper modification.

Consistency: Unless otherwise specified, the data disclosed in the Report are counted according to the unified information collection process and working mechanism established by the Company, so as to ensure that the data are comparable year after year.

REPORTING PERIOD AND SCOPE

The reporting scope includes all areas of business over the Company which have financial significance and operational influence, as well as those of ESG significance to the Company and its stakeholders. The content of the report mainly focuses on the core businesses of the Company and overall performance of the fulfillment of sustainability and corporate social responsibility from January 1, 2020, to December 31, 2020 (the “Year” or the “Reporting Period”). The policy and environmental metrics included in this report cover the following operations¹:

- ✦ Joyoung Co., Ltd., including:
 - Hangzhou Joyoung Household Electric Appliances Co., Ltd.
 - Hangzhou Joyoung Life Electric Co., Ltd.
 - Hangzhou Joyoung Water Purification System Co., Ltd.
 - Hangzhou Joyoung Electronic Technology Co., Ltd.
 - Joyoung Holdings (Hong Kong) Ltd.
 - Tonglu Joyoung E-commerce Co., Ltd.
 - SharkNinja (China) Technology Co., Ltd.
 - Jinan Joyoung Wanjia Real Estate Co., Ltd.
 - Zhuhai Hengqin Jiujiu Time Equity Investment Fund Partnership (Limited Partnership)
 - Hangzhou Jiuchuang Household Electric Appliances Co., Ltd.
 - Lishui Jiuchuang Household Electric Appliances Co., Ltd.
- ✦ SharkNinja Operating LLC, including:
 - Headquarters in the United States
 - Distribution Centre in the United States
 - Offices in Canada
 - SharkNinja Europe Ltd.
 - Offices in the United Kingdom
 - UK Euro Pro Ltd.
 - Offices in the United Kingdom
 - SharkNinja (Hong Kong) Company Ltd.
 - Offices in China

We are actively working to monitor and expand our future sustainability performance.

FEEDBACK ON THE REPORT

We value the opinions of stakeholders and the public on this report. If you have any enquiries or recommendations, please contact us at the following email address: esg@jsgl.com.

¹ In case of any discrepancy, the traditional Chinese names of the Company shall prevail.

Message from the Chairman

Affected by the COVID-19 pandemic over the world, 2020 is a year of both challenges and opportunities for us. During the year, we sought for transformation and breakthroughs in our business model, and facilitated our employees with new working patterns. We have been working with our business and community partners to overcome difficulties. In 2020, with increased demand for cooking and cleaning products in the market, and a rapid shift in consumer behaviour from offline to online, we are still doing well thanks to the positive effects of our new product launches. By leveraging its omni-channel distribution capabilities, our relationships with North American retailers, and the ability to promptly respond to changes in supply chain dynamics and consumer behavior, the proportion of sales on online platforms of the SharkNinja increased. Joyoung achieved stable revenue growth by leveraging its strength in digital marketing, live stream shopping, and operation efficiency optimization. Meanwhile, the Company improved the popularity of Joyoung among younger consumers by utilizing big IP and brand crossover collaboration. In the favorable context of disinfection and sterilization household products, the launch of steam mops and electric mops under the Shark brand in China has achieved strong results. Throughout 2020, JS Global Lifestyle achieved revenue of US\$4,195.8 million, a year-over-year increase of 39.1%. Gross profit was US\$1,742.8 million, a year-over-year increase of 54.7%. In addition, we have received the “Golden Bauhinia Awards – Best Investment Value Award for Listed Companies” in 2020 for our outstanding performance in the international capital markets since our debut on the Hong Kong Stock Exchange, which has been fully recognized by investors and stakeholders.

As we grow our business, we firmly believe that a sustainable path is an effective way to balance short-term goals with long-term benefits. We actively establish functional areas that promote sustainable development in our locations globally. The SharkNinja has pioneered the Diversity, Equality, and Inclusion (DEI) Committee, which is dedicated to creating a non-discriminatory and equal working environment that integrates the expertise and skills of each employee and creates an open platform for employee communication, allowing employees to make valuable impacts and create value. The SharkNinja’s London office also established an Ecology Committee to implement good-practice environmental and social-friendly projects around the world, infusing the concept of sustainability.

In terms of social welfare, in 2020, the SharkNinja formed a team of active volunteers to communicate closely with the surrounding communities, hospitals, and charities in its global operating locations, donating products that enhance quality of life and bring care and hope. The Joyoung has been committed to public welfare for more than ten years. Based on the platform of the Hope Project of China Youth Foundation, it has set up the “Joyoung Hope Fund” and donated more than RMB50 million. Joyoung built 1,084 “Hope Kitchens” in 27 provinces and 222 counties across China, benefiting over 2,600,000 people, which has left a series of solid and gratifying footprints on the public welfare journey of Joyoung; In the future, Joyoung will start a new journey of public welfare. We will innovate and upgrade in the field of poverty alleviation focusing on education, nutrition and health, so that love and warmth can continue to pass.



Message from the Chairman

In terms of the environment, the SharkNinja has continued to innovate in sustainable packaging materials in recent years by using recyclable pulp shrouds and a soybean oil printing process with non-petroleum-based inks, resulting in a 95% recycling rate for packaging materials, and currently 98% of the Company's product packaging is made from this recyclable material. The Joyoung has recycled more than 100,000 used household appliances through the Old for New Activities, carried out waste classification and waste reduction, recycling and utilization of waste cardboard, metal and other resources, as well as carried out a series of green office initiatives, used clean energy by using photovoltaic power generation facilities, and helped energy conservation and emission reduction.

Looking forward, JS Global Lifestyle will steadily cultivate its main business and work with stakeholders to become a global leader in sustainable high-quality, innovative small household appliances through positively impacting people's lives around the world every day through transformational, innovative, and design-driven smart home products.

Wang Xuning

Chairman

1 COMPANY PROFILE

JS Global Lifestyle is a global leader in high-quality, innovative small household appliances, dedicated to positively impacting people's lives around the world every day through transformational, innovative, and design-driven smart home products. The Company's success is centred around our deep understanding of consumer needs and is built on our strong product innovation and design capability powered by a global research and development platform, marketing strengths driving high brand engagement, and an omni-channel distribution network with high penetration. We continuously create new products, expanding and diversifying our product portfolio.

Through this diverse product portfolio, the Company cultivates markets, creates consumer demand, innovates our product categories by building up market anticipation around new products, and reshapes consumer behaviors and lifestyles around the world.

The Company owns multiple trusted market-leading brands — Shark, Ninja, and Joyoung — and continues to maintain a leadership position in China and the United States, the two largest small household applications markets, and focuses on expanding globally in new markets.

With JS Global Lifestyle's multi-brand and comprehensive product portfolio, the Company is committed to catering to local needs of household cleaning and kitchens worldwide. The Company has created and maintained industry-leading market shares in key product categories.

Through its global research and development platform, JS Global Lifestyle has introduced design-driven original products to the market, ranging from original or first-to-market revolutionary products, to market-disruptive evolutionary products, to upgraded products with enhanced functionality and designs.

2 BUSINESS OVERVIEW

Our mission is to positively impact people's lives around the world every day through transformational, innovative, and design-driven smart home products.

We focus on three core competencies:

- (i) developing transformational innovative products with appealing designs;
- (ii) effecting multi-form brand marketing; and
- (iii) building a global omni-channel sales network. They are supported by the operational infrastructure of the Group, including a global research and development platform which utilizes consumers engagement to amass information on consumers preferences and behaviors that informs and influences the product development process, a centralized supply chain with a global reach and a comprehensive information management system across the entire value chain. We offered our transformational innovative small household appliances under the brand name of Joyoung prior to the acquisition of SharkNinja in September 2017 and have expanded our business significantly since then, operating two business during the Reporting Period:
 - SharkNinja focuses on home environment appliances and kitchen appliances which are sold in North America, Europe, Japan and various other countries throughout the world. The Shark and Ninja brands maintain leading market share in a number of product categories and in a number of countries through an intense focus on quality, reliability, consumer satisfaction and accessible innovation to consumers.
 - Joyoung continues offering small household appliances, focusing on kitchen and cleaning appliances. In China, our Joyoung brand maintains the largest market share in several innovative product categories.

3 HONORS AND AWARDS

- Awarded the “Best Investment Value Award for Listed Companies” at the 10th Hong Kong International Finance Forum cum China Securities “Golden Bauhinia Awards” Ceremony.

SharkNinja

- SharkNinja received the Merchandising Excellence Award and 2020 QVC Vendor of the Year award in The Star Awards, presented by QVC and HSN.
- In December 2020, SharkNinja won the Consumer Excellence Award, awarded by web application company Applause.
- In the UK, both Shark and Ninja products are winners in the Trusted Reviews Product of the Year Awards, in the ‘Best Vacuum’ (Shark) and ‘Best Kitchen Gadget’ (Ninja) categories.

Joyoung

- In March 2020, Joyoung won 11 German Red Dot Design Awards and 16 iF Design Awards.
- Joyoung won the “Annual Most Influential Small Household Appliance Brand” in the 16th China Household Appliance Innovation Achievement Selection in 2020, Joyoung F30S-S160 steam rice cooker won the “Product Innovation Achievement” Award.
- In 2020, Joyoung won “the 11th China Listed Company Investor Relations Tianma Award”, the “Best Investor Relations Board of Directors Award”, and the “Best New Media Operation Award” granted by *Securities Times*.
- Won the “Best Employer of the Year 2020 in China” awarded by Zhaopin.com.
- Won the “College Students’ Favorite Employer of the Year 2020 in China” awarded by 51job.
- In 2020, Joyoung’s “Hope Kitchen” program was awarded the “Top 50 Outstanding Poverty Alleviation Cases by the State Council Leading Group Office of Poverty Alleviation and Development”.
- In 2020, Joyoung won the honorary titles of “Outstanding Contributor to Epidemic Prevention and Control Donations in Hubei Province” and “Corporate Citizen Anti-Epidemic Frontrunner 2020”.

1

ESG Management

1.1 BOARD STATEMENT

As a Hong Kong-listed company, JS Global Lifestyle understands the importance of ESG to the Company and its stakeholders in the capital market. It has established and gradually improved its ESG governance and management mechanisms to promote the integration of ESG into the Company's operations and management. We believe this integration will ultimately lead to long-term stable environmental, social, and corporate values.

The Board is the highest responsible decision-making authority for ESG matters. The Board takes full responsibility for the Company's ESG strategies and establishment. In order to effectively fulfill the Board's responsibility for the management and supervision of ESG matters, the Board has established an ESG Committee to be responsible for and implement various ESG resolutions of the Board. It reviews ESG risks, is responsible for the implementation and promotion of specific ESG initiatives and communicates with the Board on a regular basis to report the progress of its work. To ensure the execution and implementation of daily ESG management, JS Global Lifestyle has established an ESG working group. The working group are composed of senior management representatives from JS Global Lifestyle and the business of Joyoung and SharkNinja, who are responsible for monitoring and guiding all business and departments in the implementation of the Company's sustainability policies and programs. The ESG working group shall collect and analyze environmental and social performance indicators to recommend appropriate improvement measures to enhance the Company's sustainability performance.

In 2020, the Company continued to standardize its ESG governance and management process, with a specific focus on the process of determining material ESG issues. Based on the external socio-economic environment and the Company's development strategy, we optimized our communication and involved key stakeholders to identify, evaluate and manage important ESG matters. The Company attaches importance to ESG disclosure-related work, and the Board oversees the preparation process of the ESG report and reviews the annual ESG report to ensure the veracity and effectiveness of information disclosure. The Company is in the process of formulating performance targets including environmental and social targets, which will be reviewed and followed up by the Board.

This report discloses the details of progress and effectiveness of the ESG work of JS Global Lifestyle in 2020, which was reviewed and approved by the Board.

1.2 COMMUNICATION WITH STAKEHOLDERS

We highly value communication with stakeholders. Through various channels in daily work, important functional departments regularly compile the opinions and suggestions of internal stakeholders such as employees and senior management, as well as the expectations and feedback of external stakeholders such as regulators, customers, suppliers, and media, and actively listen to and respond to the demands of stakeholders.

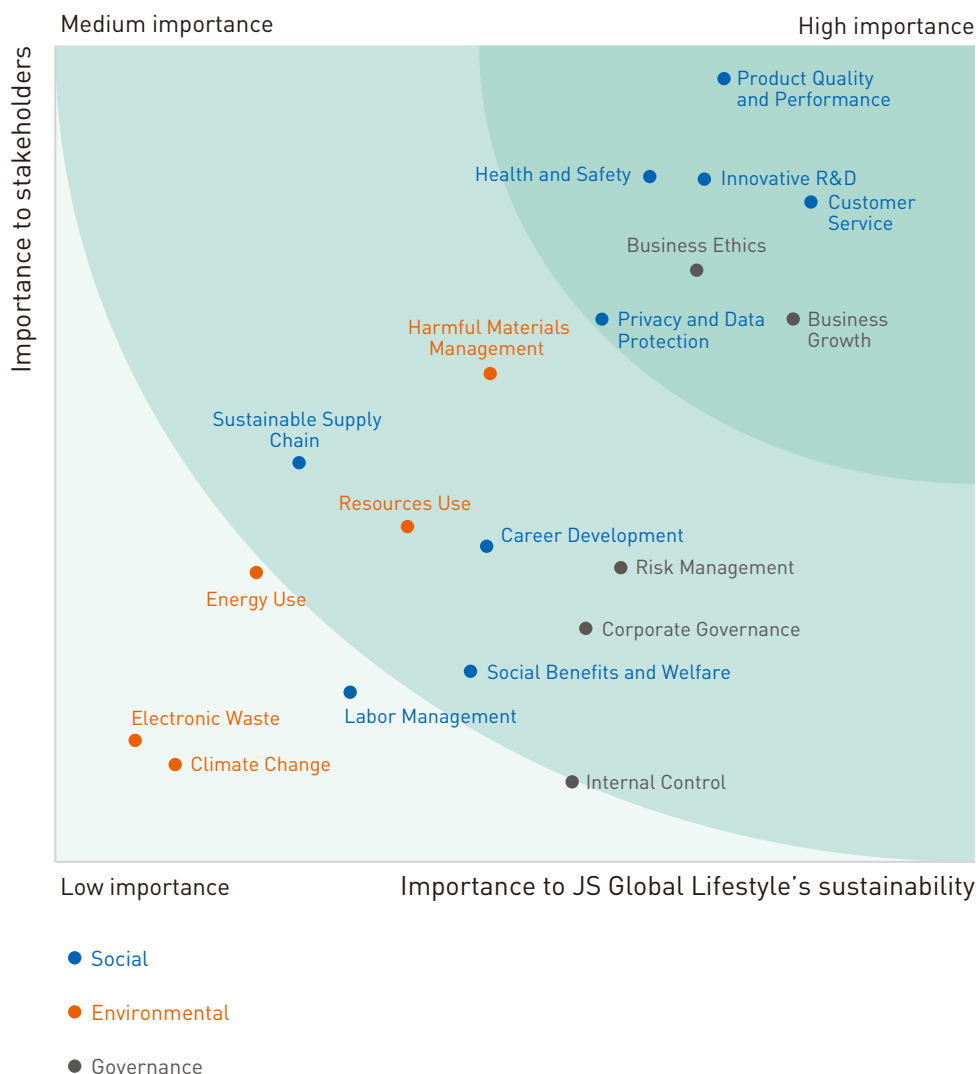
Stakeholders	Needs and expectations	Communication and response methods
Regulators	<ul style="list-style-type: none"> • Compliance with laws and regulations • Taxation in accordance with laws • Economic development facilitation • Communities and livelihood support • Resources utilization 	<ul style="list-style-type: none"> • Practice in accordance with relevant regulations • Taxation in accordance with laws • Meetings and symposiums • Written response to public consultation • Compliance reports
Shareholders and investors	<ul style="list-style-type: none"> • Compliant operation • Return on investment • Risk management • Protection of intellectual property rights • Information Disclosure 	<ul style="list-style-type: none"> • General meetings • Interim and annual reports • Other shareholder and investor meetings • Senior management meetings • Company website • Regular disclosure of business information
Customers	<ul style="list-style-type: none"> • Provision of high-quality products and services • Protection of customers' health and safety • Protection of customers' privacy • Fulfillment of the diverse needs of customers • Sustainability aspects of products and services • Product pricing 	<ul style="list-style-type: none"> • Long-term agreements • Service quality assurance • Protection of consumer data • Customer satisfaction surveys and feedback forms • Customer consultation groups • Customer services centre and online customer services platform • Routine engagement and communications • Social media
Employees	<ul style="list-style-type: none"> • Protection of employee rights • Sound development channels • Occupational health protection • Work-life balance 	<ul style="list-style-type: none"> • Equitable pay • Career development channels • Staff training • Staff opinion surveys • Volunteer work • Forums/Seminars/Workshops • Publications for staff communication • Town hall meetings

ESG Management

Stakeholders	Needs and expectations	Communication and response methods
Media partners	<ul style="list-style-type: none"> • Brand marketing • Business performance and new opportunities • Product development • Community investment • Customer satisfaction • Environmental performance • Labor issues • Product health and safety 	<ul style="list-style-type: none"> • Press releases • Interviews with senior management • Preliminary announcements • Media gatherings
Suppliers	<ul style="list-style-type: none"> • Fair procurement 	<ul style="list-style-type: none"> • Regular meetings • On-site visits • Supply chain management procedure • Supplier audit and assessment system
Distributors and retailers	<ul style="list-style-type: none"> • Open, fair, and impartial procurement • Compliance with contracts 	<ul style="list-style-type: none"> • Contract fulfillment in accordance with laws • Fair procurement • Regular meetings • On-site visits and inspections
Community/NGO partners	<ul style="list-style-type: none"> • Social harmony promotion • Charitable activities support • Energy conservation and emission reduction promotion 	<ul style="list-style-type: none"> • Community communication • Strategic partnerships • Company announcements • Sponsorships and donations • Industry forums/Seminars/Conferences
Trade and industry associations	<ul style="list-style-type: none"> • Experience and best practice sharing • Labor issues • Market trends • Social compliance issues • Environmental issues 	<ul style="list-style-type: none"> • Charity work • Volunteer work • Community investment projects • Community programs • Forums/Seminars/Workshops/Meetings

1.3 MATERIAL ISSUES

In accordance with the requirements of the Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange, the Company has identified relevant ESG issues and comprehensively assessed the importance of each issue according to JS Global Lifestyle and our stakeholders. This process of ranking the importance of ESG issues to both the organization and our stakeholders determines the focus of disclosure contained within this report and ensures we are actively responding to the needs, expectations and demands of our stakeholders. A total of 473 stakeholder questionnaires were returned in 2020. The results of the stakeholder assessment and Company’s 2020 materiality assessment are detailed below.



2

Corporate Governance and Ethics

2.1 CORPORATE GOVERNANCE

The Company operates strictly in accordance with the Code of Governance for Listed Companies (《上市公司治理準則》) and other laws and regulations, and complies with the Listing and Trading Rules of the Hong Kong Stock Exchange. The Company has established the Board consisting of nine directors and regular Board meetings and general meetings are held. There are four Board committees, including the Strategy Committee, the Audit Committee, the Remuneration Committee and the Nomination Committee.

The Company upholds a high standard of transparency, responsibility and integrity in its operations and business, and implements effective internal control measures that enhance the transparency and accountability of the Board to all Shareholders to ensure that its business and operations are conducted in accordance with applicable laws and regulations. In accordance with the requirements of relevant laws, regulations and regulatory documents, we continue to strengthen internal management and risk prevention to ensure the safe, regulated and sound development of the Company.

2.2 BUSINESS ETHICS

Ethics is at the heart of how we positively impact people's lives in every day in every home around the world. We achieve this by upholding exceptional ethical standards and demonstrating our integrity in every choice we make. We are committed to acting professionally, fairly and with integrity in all business dealings and commercial relationships wherever the Company operates and have a zero-tolerance approach to bribery and corruption. We adhere to the US Foreign Corrupt Practices Act (FCPA), the UK Bribery Act (UKBA), as well as all applicable laws in the PRC, Hong Kong, Japan, and other jurisdictions where the Company operates globally.

Internally, we have established the Reward and Punishment Management System, the Off-Office Auditing System, the Anti-fraud Investigation Management System, the Management Accountability System, the Customer Emotion Management System, the Audit and Supervision Management System, the Integrity Management System of Supply Chain Operation Department, the Policies on Anti-money Laundering and other related management systems. We set out the Associate Handbook, including guidance of best commercial practices, work ethics, prevention mechanism, and etc.. We sign the Integrity Cooperation Agreement with our partners to strengthen the awareness of integrity in business activities, regulate the integrity in practice, strengthen supervision and management, and protect the interests of the Company.

In order to further eliminate unethical business practices such as bribery and corruption, the Company encourages employees and other parties with whom the Company has direct or indirect business relationships to report fraudulent and/or suspicious activity. We have established a Complaint and Suggestion Management System and publicized a telephone number and mailbox for complaints and suggestions on the Company's official website and in our office areas. At SharkNinja, our employees can also report their concerns in private through our dedicated whistleblower hotline; Joyoung has opened a WeChat public account "Joyoung Complaint and Suggestion Express," the Complaint and Suggestion Channel in the Company's internal IT platform, and set up the "SOA Platform – Voice of Customers" as a dedicated complaint channel for distributors and suppliers. As part of our "speak up" culture, we encourage all parties in the JS Global community to report information on actual or suspected cases of fraud and ensure that information on all types of complaints and suggestions is handled in a timely and fair manner. In 2020, the Company had encountered no cases relating to corruption, bribery or money laundering.

Case: Launch of "Corporate Ethics and Sunshine Management" Integrity and Ethics Training Activities

On December 4, 2020, Joyoung launched the "Corporate Ethics and Sunshine Management" Integrity and Ethics Training. The course was divided into five parts: corporate ethics, case study, scenario Q&A, sunshine management and internal audit, in order to raise employees' awareness of business ethics compliance and create a bottom-up compliance atmosphere for Joyoung.



"Corporate Ethics and Sunshine Management" Training

3

Products and Services

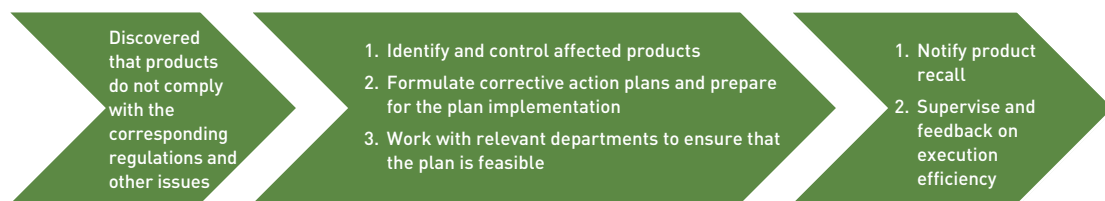
The Company places a special importance on the quality and safety of its products in addition to customer service. The Company also closely monitors and strictly protects the Company’s intellectual property rights. By continuously providing products that satisfy customers and consumers, we will be a company that is responsible for its products and consumers.

3.1 PRODUCT QUALITY

We strictly comply with the Law on Protection of Consumer Rights and Interests of the PRC (《中華人民共和國消費者權益保護法》), the Product Quality Law of the PRC (《中華人民共和國產品質量法》) and the Consumer Product Safety Act enacted by the Consumer Product Safety Commission in the US. From concept development to product launch, the quality of our products is strictly controlled at all stages, to provide consumers with safe and high-quality products. In particular, SharkNinja has set up quality control teams in China, the UK and the US, to continuously test and manage product quality.

Within product research and development, the quality control department ensures the quality of our products during the R&D phase. In addition, our laboratories and testing centres are certified by the China National Accreditation Service for Conformity Assessment (CNAS). In terms of supply and production, we conduct regular inspections on suppliers every year, as well as qualification audits on foundries. Especially in terms of quality certification, there are strict requirements. All products to be delivered are subject to the approval of the factory’s permanent representative and there will be further unscheduled quality investigations. In addition, we also actively apply modern information systems such as PTS product quality traceability and WMS warehouse management to ensure the supply of materials from the source and the quality and safety of processing and production through a combination of online and offline measures.

We have also established a management mechanism for product recalls. SharkNinja has introduced a new recall policy, whereby it appoints a recall team and recall coordinator to manage recalls and take action when necessary, as well as a recall process that conforms with the Consumer Product Safety Act (CPSA) and Consumer Product Safety Commission. Through the concerted efforts of many parties, the Company had no product recalls during the Reporting Period.



Product recall process

In terms of product quality and performance, we win a series of honors and awards at home and abroad every year. SharkNinja received the “Merchandising Excellence” and “Vendor of the Year” awards at the QVC “Star Awards” in 2020, truly embodying the mission of “positively impacting people’s lives every day in every home around the world”. Both award were attributed to SharkNinja’s drive for innovation, hyper-focus on product quality and establishment of a loyal and passionate customer base, leading to exceptional customer reviews. In the UK, both Shark and Ninja products are award winners in the 2020 “Trusted Review” product awards. The Shark Anti-Hair Wrap Upright Vacuum XL (AZ950UKT) was awarded in the “Best Vacuum Cleaners” category for its large cleaning head, capacity, flexibility and sophisticated Anti-Hair Wrap technology. The Ninja Air Fryer Max (AF160UK) was awarded in the “Best Kitchen Gadget” category for its large capacity, excellent cooking quality and for providing a healthier alternative to traditional deep frying.

In 2020, the “Reducing the defective rate of LC7 triode of magnetic furnace” project of Joyoung won the second prize of Excellent QC Achievements in Zhejiang Province and the second prize of the 6th “China Good Quality” Enterprise Case Competition in 2020. The Special Agent QC Team, the Pioneer QC Team and the Emergency QC Team won the awards of Hangzhou Excellent Quality Management Team in 2020 respectively.

3.2 CUSTOMER SERVICE

The Company has implemented strategies and plans for meeting customer expectations, and strictly regulates the implementation and supervision of these programs. By optimizing our channels and improving product services, strengthening network management and operation, enhancing differentiated service needs, and providing value-added services for regular users and fan groups, we are transforming the way we meet the specific needs of our consumers.

With respect to the Company’s sales channels in 2020, on top of the original online and offline marketing systems, Joyoung connected the online and offline systems to develop a new retail system, incorporate users into the system and build a member centre to improve service efficiency through better direct connection with users.

“New Retail” Smart Store

In order to overcome the problems of low inventory efficiency and inconsistent consumer experience caused by the separation of online channels and offline stores, Joyoung has established “New Retail” Smart Store in 2020. In terms of logistics distribution, the delivery of goods from stores nearby can revitalize the inventory of offline stores, shorten the physical distance between the origin and consumers, and greatly improve the receiving experience of consumers. Secondly, it can effectively relieve the delivery pressure of e-commerce warehouse during the big promotions. Through the distribution of e-commerce orders to stores across the country, the omni-channel inventory sharing is strengthened. In terms of supply, online and offline inventory sharing is used to optimize the inventory structure and improve the inventory turnover efficiency.

Products and Services

In addition, Joyoung improved its customer service offering by strengthening the management and evaluation of its distributors. In 2020, Joyoung adopted a ranking management system to evaluate and classify distributors based on the Distributor Channel Order Management System and the Distributor Ranking Management System as well as the performance of distributors, we divide our VIP distributors into four levels to promote self-enhancement and improvement.

In order to protect the rights of our customers and to receive and address customer questions and feedback in a timely manner, we make every effort to resolve customer issues. In the US, through the information processing platform, we review and process daily customer feedback on all distributor platforms, as well as social media comments about the Company and its products, to provide effective feedback to consumers in the first place.

In order to protect the rights of our customers, we make every effort to respond and resolve issues in a timely manner. In the US, through analytics platform Clarabridge, we monitor web reviews across 14 retail sites on a daily basis, and have a 100% response rate to consumer questions and web reviews. Regarding social media, we have a very competitive response time, which enriches our online Shark and Ninja brand presence. In 2020, the North American segment of the business responded to 96,000 social media posts, with an average response time of seven hours. Furthermore, through a new software partner, we are now able to securely take payments over online chatroom platforms, which gives us the edge over our competitors who do not currently offer this service.

SharkNinja also use Clarabridge to gather insights on product performance and competitors; using artificial intelligence, we review product testimonials from all our major US retail partners and use the data outputs to track our performance and identify opportunities for improvement. This analysis also helps us prepare future customer experience strategies for new product categories. We use the data gathered by Clarabridge to understand existing challenges our competitors are having with their post purchase customer service and identify what is most important to the customer, which ensures we design a better customer experience strategy from day 1 of the product development process.

In China, we have established the Complaint Management System 《(投訴管理制度)》, the First Accountability System for Placing Orders 《(派單管理制度)》, and have a 400 hotline, a call centre with more than 50 service specialists, and communication channels such as WeChat mini programs, official accounts and mailboxes. We also provide online services to our customers to ensure that their complaints are reviewed and resolved in a timely manner. After receiving a complaint from various channels, the customer service department analyses the complaint and transfers it to the customer service supervisor and the responsible department within one hour of working time to ensure that it will be verified and dealt with within one hour, and that the customer receives and a return visit within 24 hours. For problems that have not been dealt with in a timely manner, we promptly inform consumers to seek understanding, and follow up until the conclusion, forming a closed management loop. Joyoung provides SKY exclusive services and exclusive seats, and promises free two-way mailings for product repairs, as well as five free services on a regular basis to provide users with attentive services such as maintenance and cleaning and on-site checks. In 2020, we introduced the user evaluation system platform of Kepler Observatory, to listen to user's real feedback from the three aspects of products, purchases and services, timely discover problems in products and services, and make targeted adjustments to improve product quality and service level. In 2020, Joyoung's customer service experience of increased by 26.24% year-on-year, and the overall word-of-mouth praise rate increased to 97.67%.

The Company pays close attention to information, data security and privacy protection for consumers, regularly updates the Privacy Policy and publishes it on the official website. Internally, we have formulated regulatory documents such as the Information System User Authority Management System and the Computer Terminal Security Management System to ensure the Company’s control over the process of computer and network usage, document storage and custody, data input and output, together with a comprehensive authorization mechanism, so as to effectively prevent information security risks.

We ensure our marketing activities comply with the Advertisement Law of the PRC (《中華人民共和國廣告法》), the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) and State and Federal laws regulating false advertising and consumer protection in the United States for brand promotion. Before publishing promotional materials and advertisements, we will seek cross-functional approve to prevent providing false information.

3.3 PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

The Company follows the Copyright Law of the PRC(《中華人民共和國著作權法》), Regulation for Computer Software Protection (《計算機軟件保護條例》), and Measures for Computer Software Copyright Registration (《計算機軟件著作權登記辦法》) as well as Patent Law and Trademark Law in the United States to protect our assets. On this basis, in 2020, in order to strengthen patent protection for our core product lines and develop patent advantages, we have launched the following initiatives:



Through the legal team’s daily management and diverse initiatives on legal matters such as trademarks, patents, copyrights and domain names, the company achieved the following results in terms of intellectual property rights in 2020:

Patent filed for application in 2020	2,415
– Utility patent	428
– Design patent	277
– Utility model (China Only)	1,710

4

Supply Chain Management

Supply chain management is one of the core elements of JS Global Lifestyle's success. The Company is committed to ensuring the stability of its supply chain and adheres to a sustainable supply chain decision-making model to ensure it meets the Company's strategic goals and needs.

4.1 SUPPLIER MANAGEMENT

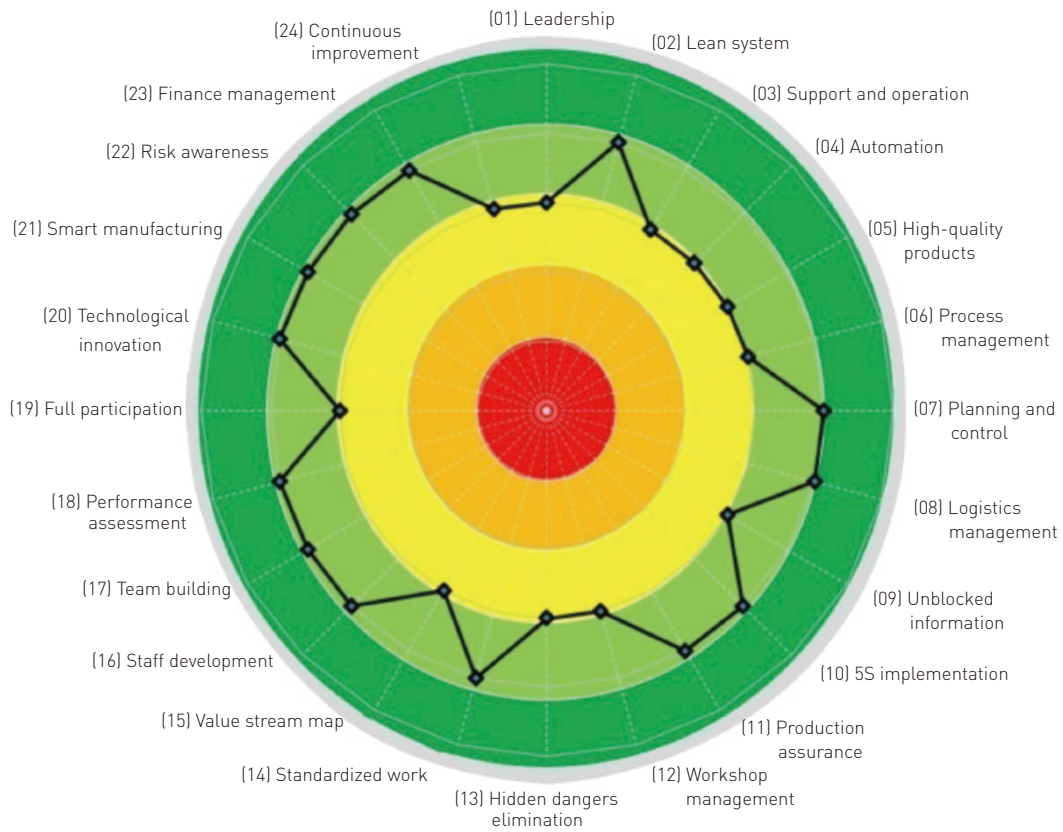
The Company has developed the Procurement Management Policy, Supplier Ethics Policy and Supplier Code Of Conduct and other system documents, and implemented strict management methods along with a comprehensive supply chain management system in various aspects such as supplier introduction, procurement plan formulation, order management, and supplier assessment, to ensure the continuity and sustainability of supply.

When working with a new supplier, the Company conducts verification on relevant qualifications, industry characteristics, system certifications and assesses the reliability of suppliers through on-site visits. Regarding the daily management of suppliers, the Company has established a Supply Network Assessment Form, and regularly conducts assessment on suppliers to track the long-term performance of OEM (Official Equipment Manufacturer) and ODM (Official Design Manufacturer). Data analysis is also used to highlight trends and identify major supply chain risk areas. For the problems found in the supervision process, we urge suppliers to formulate corrective action plans in a timely manner and carry out necessary follow-up actions at the same time, and we require our suppliers to report on their rectification and improvement efforts to the Company, which are verified through follow up audits. The Company adopts an elimination mechanism for suppliers who violate the Suppliers' Code of Conduct, such as breaches of the integrity norms and quality accidents.

4.2 SUPPLIER CERTIFICATION

The Company conducts quality certification and lean certification assessments for suppliers on an annual basis. Every year, we revise the latest requirements for quality management and supplier quality certification standards, and organize certification standards for suppliers, and then carry out certification plans and implement certification. For the problems found in the certification process, we urge suppliers to improve and conduct close-loop management, and finally make a summary and review. In 2020, Joyoung conducted quality certification audits on 11 spare part factories and 26 complete set suppliers, and more than 89% of suppliers have reached the quality standards of three stars and above.

In addition, we also assess and classify suppliers on multiple criteria, such as lean engineering, quality assurance, on-time delivery, production efficiency, organizational capabilities, innovation, and excellent operation. We promote suppliers' improvement in accordance with lean standards, to assist the healthy and steady development of the industry. In 2020, Joyoung carried out lean certification on 27 suppliers and the Jinan factory, more than 70% of suppliers have passed the star certification, and the Jinan factory has passed the 5-star certification.



Lean certification results of Joyoung suppliers

Supply Chain Management

Supplier communication

Suppliers are important partners of JS Global Lifestyle. We maintain close communication with suppliers and maintain cooperative relations. We open our training and learning resources to suppliers to promote knowledge sharing, and communicate with suppliers through diversified forms and channels of training, exchange meetings, and live stations. When suppliers encountered business disruption because of the pandemic, we provided suppliers with preferential terms and credit support to help them provide.



Supply live station

In 2020, the Company launched a supplier live station activity, in which we carried out activities such as fine interpretation of standards and online interactive Q&A by adopting the method of online communication and learning with suppliers, and jointly incubated new ideas and new mechanisms with suppliers to empower suppliers to grow together.

During the Reporting Period, the Company has a total of 340 Tier 1 suppliers, all of which are located in Asia.

Country	Number of Tier 1 suppliers
China	337
Thailand	1
Vietnam	2

4.3 SUSTAINABLE SUPPLY CHAIN

JS Global Lifestyle pays attention not only to fulfilling its social responsibilities, but also to the environmental and social impact of the entire supply chain. We assess and review suppliers' ethics and social compliance, quality management, environmental risks and other aspects to ensure the sustainability of the supply chain. We require all suppliers to comply with the code of conduct set by JS Global Lifestyle. We also expect all spare parts and complete set suppliers and related facilities to fully comply with all applicable national and local laws and regulations to ensure the establishment of a reliable and responsible supply chain. The Company requires suppliers to comply with laws, regulations and international standards including but not limited to the following aspects:

- Labor (including children and young workers)
- Health and safety
- Environment
- Fair trade
- Anti-corruption and anti-bribery
- Conflict Minerals
- Modern slavery and human trafficking
- Manufacturing environment
- Management systems (e.g., ISO 9001, ISO 14001 and ISO 45001)

Supply Chain Management

The human rights protection mechanism of SharkNinja's supply chain

In addition to our expectation for suppliers to comply with the company Supplier Code of Conduct, SharkNinja takes additional measures to ensure that the human rights and dignity of all people throughout its global operations and supply chains are respected. We not only abide by ourselves, but call on all business partners to abide by relevant laws regarding safe working conditions, freedom of association, collective bargaining rights, prohibition of forced and child labor, protection of legal wages, working hours, and provision of employment security. When selecting manufacturing partners, we carry out the necessary due diligence procedures before agreeing to work with them, and through supervision and regular auditing of our OEMs to ensure that they continue to meet the Company's expected code of conduct.

To manage human rights risk in our global supply chain, we have formulated the SharkNinja Social Compliance Checklist, pursuant to which, our quality team undertake regular audits on OEM factories, and track the OEM's actions to address the audit findings on a weekly basis. The audit covers compliance with relevant local labor laws and regulations and includes topic areas such as workplace safety, fair wages and working hours, workplace discrimination, involuntary labor, child labor, freedom of association, collective bargaining rights, workplace harassment, environmental permits and pollution control. We also track the long-term performance of our OEM factories. Analysis of the audit findings is used to highlight trends and identify areas of significant risk in the supply chain. We have not identified any issues relating to forced or child labor in our supply chain.

SharkNinja prepares and publishes a Modern Slavery and Human Trafficking Statement on an annual basis in accordance with the UK Modern Slavery Act 2015. The statement outlines and reaffirms our commitment and methodology for combating modern slavery and human rights violations throughout the supply chain.

Talent is central to JS Global Lifestyle's success — it is core to who we are. We work tirelessly to ensure all employees receive equal legal rights in employment, compensation and benefits, training and development, and respect. We do our best to recognize and treat every employee fairly.

5.1 EMPLOYMENT

JS Global Lifestyle strictly abides by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Provisions on the Prohibition of Using Child Labor and local laws and regulations in every jurisdiction in which we operate. In China, we have formulated a Recruitment Guide, which clarifies recruitment regulations and establishes relevant procedures, to ensure that our recruitment processes and daily operations comply with relevant standards and to create a fair and just employment environment for employees. In the recruitment process, we strictly eliminate child and forced labor. To avoid the use of child labor, we check the identity documents of new employees to ensure that all employees reach the legal age for employment. In addition, we follow the Interim Provisions on Labor Dispatch to strictly control the number of dispatched labors, to ensure that the number of dispatched workers does not exceed 10% of the total labors in Mainland China.

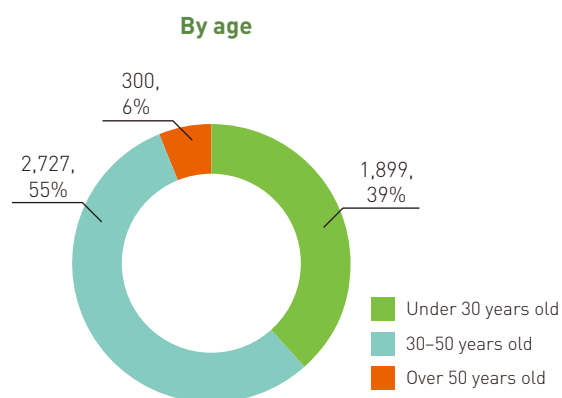
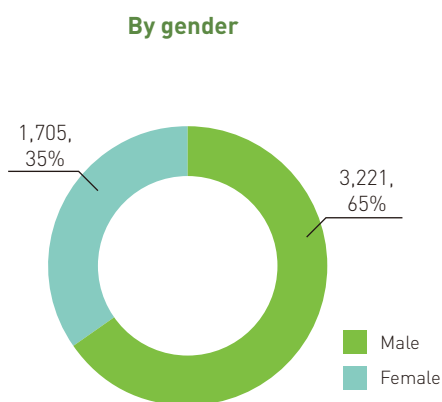
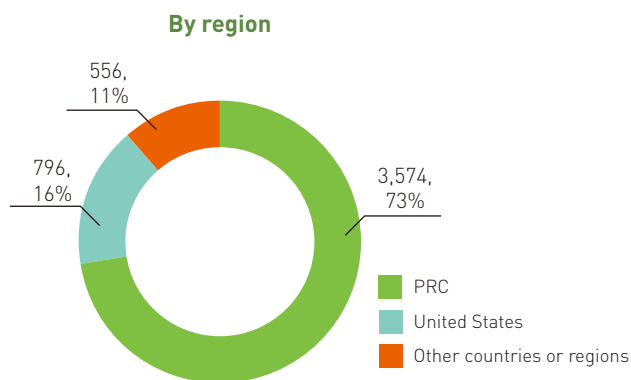
SharkNinja have formulated a comprehensive Associate Handbook, which consolidates key policies and procedures that support our employee's need to perform their job. The Handbook provides employees with valuable guidance on general practices, workplace conduct, pay and benefits, leave, safety and security, and etc..

JS Global Lifestyle is an employer offering equal opportunities, and we prohibit discrimination of any legally recognised kind. All labor-related policies are not linked to employees' personal characteristics such as gender, race, age, physical condition, sexual orientation and marital status, so as to ensure a truly diversified employee group and a fair corporate culture. Our commitment to equal opportunity employment applies to all persons involved in our operations and we prohibit unlawful discrimination from any associate, including line managers and executives.

JS Global Lifestyle is also committed to creating a diverse, equitable and inclusive workplace. In recognition of the uneven impact of racism on diverse communities, SharkNinja is committed to diversifying the workforce and promoting the employment of marginalized groups across the business. Our goal is to have more than 20% of new employees come from marginalized groups by 2022. We will also increase the number of female employees through championing DEI with a particular focus on increasing the proportion of female employees in leadership and engineering positions.

Employee Management

In terms of talent recruitment, we continue to attract talent that share our values and drive for success through multiple channels such as internal recommendations, online platforms, job fairs and on-campus recruitment. As of 31 December 2020, the Company has a total of 4,926 full-time employees, of which approximately 3,574 employees are engaged in PRC operations, 796 employees are engaged in United States operations, and 556 employees are engaged in operations in other countries or regions. The employee data classified by different categories are as follows:



5.2 CAREER DEVELOPMENT AND TRAINING

Talent development is essential for the continued success of JS Global Lifestyle. In order to meet the career development needs of a diverse group of employees, we have established a three-channel promotion system, and created a performance assessment system measuring our technical, quality and patent personnel. Additionally, we have developed channels for each cross-functional business unit and seniority, to assist employees with achieving their career goals.

The Company has created an Internal Training Management System to ensure the quality of training and improve its effectiveness. We have implemented a training system covering the entire talent development life cycle. We focus on promoting the career development of employees from the day the employee joins the Company to the day they leave. We provide employees with continuous support and development opportunities, so that employees can develop, grow, learn and participate. We establish innovative talent development and training projects based on the Company's development strategy and training needs. We continue to optimize training plans, training mechanisms and training content. We provide induction and on-the-job training for all employees, and require that all internal training courses be assessed on their impact and learning results. This feedback mechanism ensures our training program improves year-on-year.

SharkNinja's corporate university employs technology to innovate the learning experience, and employees can obtain customized and selected training content through the SharkNinja University online platform.

Employee Management

Talent Development Program of SharkNinja



Provide employees with strategies to lead and manage others, and support their own professional development.



Introduce the recruitment process and best practices of SharkNinja, to ensure a seamless connection between interview and admission team and candidates' employment experience.



Accelerate the leadership development of existing and new managers around the world.



Introduce the ideas and methods on breakthrough thinking and projects of SharkNinja (encourage new leaders to challenge current thinking and learn how to develop their own breakthrough projects).



Help leaders develop and establish their own leadership style, vision, values, courage, and temperament.



Through ongoing leadership dialogue, share the knowledge and experience that can solve the Company's challenges.



In addition, in 2020 SharkNinja launched the Talent Development Program, which is a career acceleration program offering training in the areas of leadership, management, innovative thinking, best hiring practices and product development. Joyoung has established the academy for marketing, R&D, management, career, human resources, and leadership, created the training platform of Xiaoyang School to incubate innovative learning projects starting from four dimensions of mixed learning, mobile learning, gamified learning and informal learning and supplemented by digital marketing methods.



Joyoung's "Star Project"

In order to help newly recruited social employees to integrate into the team, we developed a special new employee training program — "Star Project". Through the zero-distance experience of Joyoung's selected products, multi-angle and all-round understanding of Joyoung's organizational structure and business processes, and feeling the training content with ubiquitous Joyoung culture and organizational atmosphere, we help new employees comprehensively understand Joyoung's cultural system and business. At the same time, the effectiveness of training is ensured through online examinations, offline clocking and after-class homework.

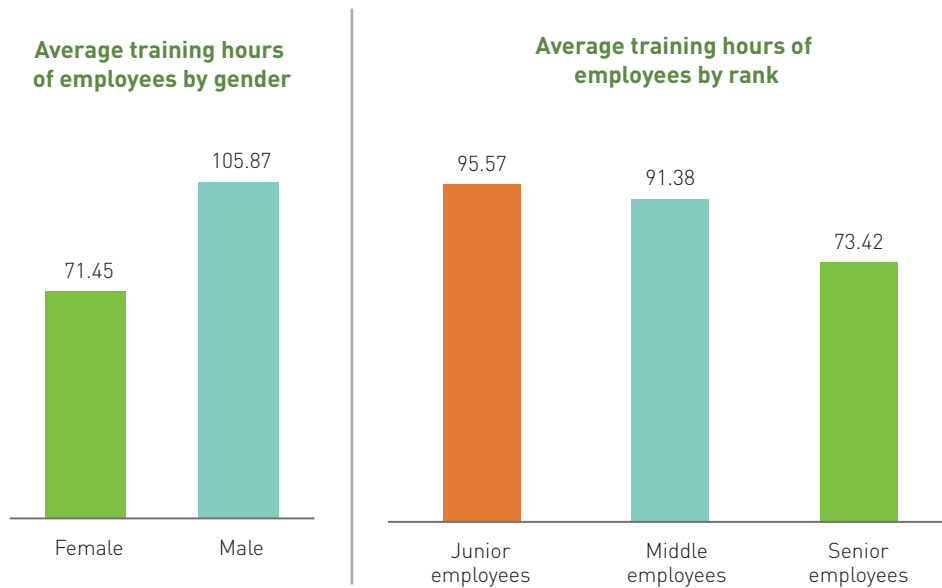
Joyoung's internal trainer project

In order to allow employees to display their abilities and skills, Joyoung has launched an internal trainer project to give employees opportunities to practice, while enhancing the ability of internal lecturers to promote the inheritance of knowledge and experience.

Joyoung's internal trainer project is divided into internal training classes and map classes, aiming to strengthen the capacity building of internal trainers from different dimensions. The internal training classes are designed for general registered employees, matching the training courses of internal trainers to improve the skills of lecturers; the map classes are designed for development lecturers in learning path maps, to sort out the map system and promote the development of courses. The internal trainer project is completed through the "Master King Competition Mechanism" to strengthen the training effect.



During the Reporting Period, Joyoung’s training data are as follows:



5.3 CARING FOR EMPLOYEES

Diversity, equity and inclusion

Diversity, equity and inclusion in our workforce is essential to the global success of JS Global Lifestyle. We value each unique voice and integrate the various skills of our team to continuously drive our relentless innovation.

In 2020, SharkNinja established a Diversity, Equity and Inclusion (DEI) Committee, making DEI a central part of SharkNinja’s DNA. The DEI Committee is composed of more than 70 employee volunteers throughout North America, the United Kingdom and China, and consists of five groups: employee resources, employee education and training, employee voice, business system process and corporate impact investment, aiming to leading various DEI projects to benefit all employees worldwide.

Employee Management

Through the establishment of the DEI Committee, we have implemented a series of actions:

- Launched the “SharkNinja Cares” donation plan, which enabled SharkNinja to support the charitable endeavours of employees by matching their charitable donations with qualified organizations;
- Implemented an additional floating holiday for cultural and religious observances, so employees can observe and celebrate a cultural or religious event that is important to them;
- Formulated a company volunteerism policy, which provides employees with 8 hours of paid voluntary service time every year to support them with giving back to their local communities;
- Launched the SharkNinja DEI Award to commend employees for their contributions to improving the Company’s DEI performance; and
- Established several employee resource group (ERGs) to increase employee awareness of key DEI issues. The ERGs are affinity groups led and self-directed by employees, and provide a platform to discuss their experiences and how DEI can be enhanced at SharkNinja. The ERGs help attract a diverse employee base, facilitate inclusiveness of ideas and solutions, and creates opportunities for guidance and development.



Gifts to employees from DEI initiatives

Compensation and benefits

We provide all our employees with competitive salaries and benefits, strictly follow national and local salary management regulations and uphold the principle of fair salary increases and performance allowances. We have established a Compensation Management System to standardize compensation management and ensure all employees receive fair and reasonable compensation. The Company has also formulated a Welfare Management System to provide employees with a variety of benefits to improve their quality of life. We have also clarified holiday-related regulations in the Attendance Management System to ensure that all our employees can take holidays, paid leave, maternity leave and other holidays as stipulated by national laws, regulations and the Company’s policy.

SharkNinja provides an extensive list of benefits for its employees, including medical, dental and vision plans, a health savings account (US only), flexible spending arrangements (US only), life insurance, company pension scheme, support with critical illness and disability, business travel accident insurance, pet insurance (US only), pre-paid legal plans (US only), an employee assistance program, free counselling sessions, legal and financial support, childcare support, performance and employee referral bonuses and a company discount offering. SharkNinja has also set up additional floating holidays, so that employees of different backgrounds can celebrate their cultural or religious activities.

In addition to enjoying national legal benefits, such as five insurances and housing fund and special position subsidies, Joyoung's employees are also provided with care and subsidies such as "six visits" (namely birthdays, marriages, childbirth, funerals, medical visits and accidents), educational grants, special medical examinations for female employees, project assessment incentives, year-end incentives and other incentive mechanisms.

Occupational health

The Company follows the Safety Production Law of the People's Republic of China and other relevant laws and regulations in the jurisdictions in which we operate, and has passed the ISO 45001:2018 occupational health and safety management system certification, which provides a framework for creating a healthy and safe working environment for our employees. During the COVID-19 pandemic, we made our employee's families and health a priority. Where possible, we arranged for employees to work remotely in an immediate response to the pandemic and have provided ongoing support and new equipment to ensure a smooth transition to this new way of working. We have also paid close attention to the physical and mental health of employees and their families, our business partners and the communities in which we operate. We have implemented strict disinfection and cleaning practices in our offices, provided employees with protective equipment such as face masks and disinfection suppliers, and communicated to staff and visitors new company measures to prevent further spread of COVID-19. Our effective occupational health and safety culture is demonstrated by our performance; for the past three years (covering the Reporting Year), the Company has not experienced any serious work-related injuries or work-related fatalities.

Work-life balance

The Company is committed to balancing the work and life of all its employees. To recognize and reward employees for their hard work, SharkNinja implements a Summer Working Hours Policy, where workers are encouraged to leave the office early at 1:00pm on Fridays throughout August. SharkNinja also introduced "Product Launch Appreciation Day", an extra day of rest provided for employees in celebration of our new products and so they can take time to relax with friends and family.

Employee Management

In 2020, the North American segment of the business introduced a new parental leave policy, which goes above the requirements of the Family and Medical Leave Act by providing 14 weeks of paid leave for new birthing/primary care giving parents, and 4 weeks of full pay parental leave for non-birthing/primary care givers. Employees are also provided with a 4-week flexible work schedule before or after the birth/adoption in order to help them transition back into work following the birth of their child. Furthermore, through the SharkNinja employee benefits packaging, employees are provided support with childcare, such as 9 days of funded emergency backup care, childcare vouchers, and tax relief on childcare through a salary sacrifice scheme (UK only).

Most JS Global Lifestyle employees have had to adapt to working from home in 2020, which has blurred the lines between home and work life. To support our employees with this change, SharkNinja arranged a series of wellness sessions hosted by a professional life coach and positive psychology expert. Held online, the sessions covered key wellness topics such as setting healthy work and home boundaries, how to practice self-care, how to prevent burnout and how to maintain perspective and hope in any challenge. The sessions form part of SharkNinja's wider employee wellness campaign, which promotes training and awareness to help all employees be their best selves in all aspects of the life.

In the United Kingdom, our employees at SharkNinja's London headquarters have formed an Eco Committee to encourage environmental and socially conscious practices. In 2020, the Eco Committee organized office yoga sessions and enhanced the mental health support available to employees, supporting them with paying attention to their physical and mental health. The London site also host monthly vegetarian lunch events to cater to the diverse eating habits of employees and SharkNinja offer free fruit to office-based staff to encourage healthy eating. Joyoung promotes the physical and mental health of employees by setting up employee clubs, organizing diversified leisure activities and conducting three cultural meetings yearly.



Club live broadcasting of Joyoung Nutrition College



Running football — 2020 Joyoung Ninth Football League

Joyoung Club

In order to implement the concept of “passionate and happy work, happy and healthy life”, we set up Joyoung Club and carried out diversified activities. During the Reporting Period, we carried out online live broadcasts such as nutrition knowledge sharing, baking courses, online and offline health running, sports games of Qiantang District, etc., to enrich employees’ amateur cultural life while enhancing their cohesion, and sense of belonging.

“Running Joyoung” Fun Games

During the Reporting Period, we held various fun sports events including competitive, funny and family games at the Joyoung Creative Industrial Park Stadium. The launch of the 2020 Joyoung Autumn Games enriched employees’ spare time, provided opportunities for team communication and integration, promoted employees’ enthusiasm for work and life, and enhanced their sense of teamwork and honor.



Opening Dance of “Running Joyoung” Games

Employee Management

“Cross” Joyoung Employee Conference

“Cross” Joyoung Employee Conference is Joyoung’s annual awards ceremony. We commend outstanding employees and teams at the conference to motivate employees and enhance their sense of honor. At the same time, the chairman and the president convey the Company’s future strategic development direction to employees at the conference, and call on all employees to unite and create better results.



JS Global Lifestyle has established a complete communication channel for employees to listen to their suggestions and requirements. We have different suggestion feedback channels in place, including employee meetings, employee representative conferences, complaint and suggestion platform, president mailbox, etc., to strengthen the relationship among employees, between employees and management, and conduct annual surveys and statistical analysis on employee’s satisfaction, to listen to various suggestions.

JS Global's central mission is to improve the quality of daily life of families around the world and aims to be a strong corporate citizen. We actively promote the development of our local communities by investing continually in poverty alleviation, education, disaster relief and other charitable causes.

6.1 NUTRITION AND HEALTH

Nutrition and health is an area that JS Global Lifestyle has long focused on for the benefit of the community, based on its corporate mission and expertise. With the "Hope Kitchen" and "Diet Education" as the core, Joyoung has been supporting the improvement of the environment and hygiene conditions of rural school kitchens, and the enhancement of catering capacity and efficiency for ten years. Joyoung staff and external volunteers have also been organised to get involved in a series of empowerment projects that, have become one of the most important ways to promote nutrition and poverty alleviation among students. Over the past ten years, Joyoung has built 1,084 Hope Kitchens in 27 provinces and 222 counties across the country. Every day, more than 500,000 students eat the meals made by Joyoung Hope Kitchens, which directly benefited more than 2.6 million students.

In 2020, Joyoung was awarded the "Top 60 China Corporate Citizen Responsibility Brands", "2020 Red-top Public Welfare Awards", "Corporate Citizen Award for Outstanding Community Project in China 2020", and a series of other accolades. And in recognition of its outstanding contribution to poverty alleviation cause, Joyoung's "Hope Kitchen" program was included in the "2020 Yearbook of China's Poverty Alleviation and Development" by the State Council Leading Group Office of Poverty Alleviation and Development, becoming a model for poverty alleviation.

Case:

The “Joyoung Hope Kitchen” poverty alleviation project drove various social forces to improve the nutritional status of students in the poverty-stricken areas of Sangzhi County

Since 2016, Joyoung has actively participated in the nutrition improvement program for rural compulsory education students in Sangzhi County (a national poverty-stricken county), Hunan Province. In the past five years, Joyoung has built 34 high-quality and high-standard “Joyoung Hope Kitchens”, and extended the targeted poverty alleviation from education field to nutritional field and improved the local dining conditions and students’ nutrition.

In addition to the improvement of kitchen hardware facilities, Sangzhi County Education Bureau also organised relevant experts to formulate the Nutritious Recipes for Student Canteens in Primary and Secondary Schools of Sangzhi County with reference to the Dietary Nutrients Reference Intake and the Dietary Guidelines for Chinese Residents. The recipes have incorporated local dietary habits, market supply and economic conditions in accordance with the requirements of rational nutrition and balanced diets, insisting on “combination of the five cereals, coarse and fine food, meat and vegetarian, and various food”. The recipes have been popularised within the whole county to further ensure the project effect from the system. Furthermore, Sangzhi County Education Bureau has also formulated the corresponding recipe notice boards in accordance with the Administrative Measures for Canteens of Primary and Secondary Schools in Hunan Province, standardized the use of state subsidy funds for the nutrition improvement plan, and made every effort to protect the students’ rights and interests and safeguard their healthy growth.



Case:

“Joyoung’s ten-year charitable poverty alleviation model focusing on student nutrition and health” was awarded the Top 50 Outstanding Poverty Alleviation Cases by the State Council Leading Group Office of Poverty Alleviation and Development

On 13 November 2020, the State Council Leading Group Office of Poverty Alleviation and Development and the Chinese Academy of Social Sciences released in Beijing the List of Comprehensive Cases of Chinese Enterprises’ Precise Poverty Alleviation (2019), on which “Joyoung’s ten-year charitable poverty alleviation model focusing on student nutrition and health” was selected as one of the top 50 outstanding cases.

Poverty alleviation experts from the State-owned Assets Supervision and Administration Commission of the State Council, the All-China Federation of Industry and Commerce, the Office of the Central Cyberspace Affairs Commission, the China Securities Regulatory Commission, the China Banking and Insurance Regulatory Commission, the Chinese Academy of Social Sciences, the Development Research Centre of the State Council and a number of colleges and universities have selected the top 50 outstanding cases from 940 cases collected from the community based on the five dimensions of “precision, effectiveness, innovation, sustainability and replicability”. The purpose is to summarise the experience and practices of enterprises participating in precise poverty alleviation and poverty eradication, setting a typical example for general demonstration to attract more enterprises to assume social responsibility and actively participate in and win the battle against poverty.



Award for Comprehensive Cases of the Top 50 Chinese Enterprises’ Precise Poverty Alleviation

Corporate Citizenship

Diet education

In 2020, Joyoung upgraded its "diet education" and launched version 2.0 of the diet education workshop to strengthen the schools' support for the sustainable development of diet education, and provide the schools with guidance on the decoration design of the diet education workshop spaces, hardware facility donations, course content, school empowerment and other supports. Joyoung also provides cyclical support in a two-year cycle, just to better support the healthy development of adolescents and children. Joyoung's diet education workshops are committed to supporting the creation of an educational space to promote traditional food culture, impart nutrition and health knowledge, and cultivate good eating habits and dining etiquette, collaborative cooperation, innovative thinking, aesthetics, and other abilities by using cooking as a teaching carrier, so every child can maintain and enjoy their health.



Changsha School Affiliated to
Beijing Normal University



Zhengzhou Yingcai International
Primary School, Henan



Pinghu Chongwen Primary School,
Zhejiang



The Diet Education Workshop of
YiwuYiting Primary School

6.2 SOCIAL WELFARE

Global action

In North America, SharkNinja has established a Charitable Donation Policy and Volunteerism Policy, making contributing to social welfare causes part of its corporate culture. The Company's Charitable Donation Policy supports charitable activities by matching eligible employee's charitable donations, so they can double the impact. Furthermore, the Volunteerism Policy encourages associates to volunteer in their local communities by providing up to 8 hours of paid leave each year to participate in their chosen volunteer programs. Since the launch of the Charitable Donation Policy in September 2020, SharkNinja has donated a total of \$49,470 USD and \$4,250 CAD to charitable causes. Following the success of the policy, SharkNinja intends to open up the donation system to its other workplaces in the United Kingdom and Europe, and make an even bigger impact globally.

In addition to supporting the charitable endeavors of our employees, SharkNinja makes significant corporate donations to make a positive impact in the local community of Massachusetts. SharkNinja is a long-time donor to the Massachusetts General Hospital and continues to support hospital-wide relief programs for patients with cancer, food allergies and burns and pediatrics patients. Moreover, in 2020, SharkNinja became a corporate sponsor for non-profit organizations Tech Goes Home and Boston Partners, supporting efforts to reduce digital inequity and eliminating barriers to achievement for students from disadvantaged backgrounds.

Corporate Citizenship

In Europe, our corporate impact program has focused on generating social value through product donations. In partnership with donor partner In Kind Direct, in 2020 SharkNinja donated several pallets of Shark and Ninja products to 374 charities across the UK. The 347 charities included over 100 community groups, 60 children's charities and over 40 charities that support people with disabilities. The total estimated retail value of the distributed products is approximately £28,000. Of the 347 charities receiving SharkNinja donations. The Oak Foundation, which supports children and adults with disabilities, has provided Shark products to their staff to support with cleaning their community centres, and a range of Ninja smoothie makers have been provided to parents of disabled children to help with mealtimes. The Caxton House Community Centre, which is a community hub in North London, also received a range of Shark and Ninja products that have been used to support intergenerational cooking classes. In addition to our donor partnership with In Kind Direct, the London Eco Committee donated 32 pairs of football boots to Chisitu in Malawi to support the sporting dreams of children in the local community.



The InKind Direct warehouse unpackaging SharkNinja donations for 374 charities across the UK



Youth football team of the Chisitu community in Malawi

Case: Animal care

Home cleaning brand Shark has partnered with Dogs Trust, the UK's largest dog welfare charity, and Cats Protection, the UK's leading feline welfare charity, to raise donations from selling a range of its TruePet hoovers through Shark's UK website. Since the partnership, the Shark brand has raised over £90,000 for each organization, and we expect they will receive donations of another £50,000 in 2021. Donations to both organizations can cover the daily care costs of over 7,500 cats and the daily costs of over 3,500 dogs in rehoming centres.

**Public welfare activities in the PRC**

With the overall victory of China's fight against poverty and the implementation of the rural revitalization strategy, in 2020, Joyoung initiated the establishment of the "Zhejiang Joyoung Foundation" with Zhejiang Provincial Department of Civil Affairs, and will continue to focus on education, health and other areas related to rural revitalization. Over the next ten years, Joyoung will continue to invest RMB50 million, and Mr. Wang Xuning (Chairman of the Company) will also donate RMB50 million to the foundation in his own name, which means the foundation will have no less than RMB100 million available for the core project of Joyoung's rural revitalization kitchens, opening a new chapter for the Joyoung Foundation.

In terms of poverty alleviation, Joyoung Hope Kitchen project has actively participated in the one-on-one east and west assistance work, forming a "1+1 collaboration" targeted poverty alleviation model by Joyoung Hope Kitchen and the Poverty Alleviation Office. In 2020, the Company successively implemented the "Three Ones" ² actions of "one batch of aid construction, one batch of improvement and one batch of standardization" in national poverty-stricken areas such as Weiyuan in Gansu Province, Qiandongnan in Guizhou Province, Pingjiang and Sangzhi in Hunan Province, and Liangshan in Sichuan Province, provided supports in three aspects of equipment, management and personnel to comprehensively improve the basic conditions and management level of local students' nutritious meals, so as to ensure that students can eat clean and healthy meals in schools, and help students grow up healthily.

² "One batch of aid construction" refers to addressing the urgent need for meals of rural schools in poverty-stricken areas, so that the students can eat nutritious meals in schools; "one batch of improvement" refers to improving the feeding capacity and efficiency of schools in poverty-stricken areas and liberating productivity; "one batch of standardization" refers to strengthening the standardized construction of school kitchens in poverty-stricken areas, and organizing training for logistics personnel and kitchen operators.

Corporate Citizenship

In addition, we were also actively exploring new modes of poverty alleviation through education, industry and consumption to improve the sustainability of poverty alleviation:

- ▶ Joyoung has set up a charitable education fund of RMB20 million in Jinan Huaiyin District Charity Federation, donating the interest of the principal of the fund to Jinan Huaiyin District Charity Federation every year, and has donated nearly RMB15 million by the end of 2020;
- ▶ Adopted the mode of "purchase instead of donation" to help the poor by purchasing special agricultural products from poor counties and mountain and sea areas during the March 8 Women's Day and Mid-Autumn Festival, and launched activities such as "Good Products Bazaar" and "Consumption Poverty Alleviation New Year's Shopping Festival" internally from time to time to recommend special agricultural products as poverty alleviation products to employees and their partners.

Joyoung Social Welfare Performance

Number of staff volunteers	445 people
Total time devoted to volunteering	4,475 hours

Case: Walking in love welfare hiking activity

In order to encourage employees to participate in public welfare undertakings and enhance their sense of social responsibility, Joyoung organises employees to participate in "Walking in love" welfare hiking activity every year. By promoting the concept of "accumulating small steps and becoming great love, walking can also do public welfare", we invited Walking in love walkers across the country to walk daily and donate their steps through the Tencent Public Welfare Platform, with a ratio of 10,000 steps = RMB1. In 2020, a total of 231 employees participated in this event, mobilizing more than 0.20 million people who donated 5 billion steps. Joyoung donated a total of RMB0.50 million with raising 5 billion public welfare steps for the construction of the "Hope Kitchen" project, improving the feeding conditions of schools in poverty-stricken areas, and helping children grow up healthily.



"Walking in Love" welfare hiking activity

Case: Joyoung new year's shopping festival for poverty alleviation through consumption

In January 2020, Hangzhou Joyoung Creative Industrial Park collected 40 kinds of characteristic products promoted by the government of where the Joyoung "Hope Kitchen" project was located for poverty alleviation. The products offered in Joyoung new year's shopping festival for alleviation poverty through consumption were selected from the locations of 1,000 "Hope Kitchens". In the market, Joyoung employees actively placed orders through offline market promotion and online code scanning, to increase income and generate revenue for farmers in poverty-stricken areas through this kind of promotion and support poverty alleviation by means of consumption.



Joyoung new year's shopping festival for poverty alleviation through consumption

6.3 FIGHT AGAINST THE EPIDEMIC

The Company formulated effective epidemic prevention and control strategies and actively fought against the epidemic. At the early stage of the domestic epidemic outbreak, Joyoung provided immediate assistance to the affected areas. Emergency supplies such as Joyoung water purifiers, Shark sanitizing steam mops and medical protective hoods were donated in several batches to severely affected areas including Wuhan, Xiaogan, Jingzhou and Huanggang in Hubei Province, to ensure an adequate supply of first-line anti-epidemic materials. At the same time, Joyoung liaised with the charity organizations in Hubei to determine the small household appliances needed by the local area and donated the first batch of materials worth RMB5 million to the Wuhan Red Cross. Water purifiers, boiling water boilers, sanitizing steam mops, and high-performance multifunctional blenders and induction cookers were distributed to designated hospitals for patients in Wuhan and areas where the epidemic has occurred to guarantee the living needs of front-line medical staffs. In 2020, Joyoung has donated a total of RMB3.36 million in anti-epidemic donations. We have won the honorary titles of "Outstanding Contributor to Epidemic Prevention and Control Donations in Hubei Province" and "Corporate Citizen Anti-Epidemic Frontrunner 2020". After the epidemic, we received letters of thanks from anti-epidemic headquarters at all levels.

SharkNinja's social welfare support during COVID-19

Value of donated products	US\$49,645
Total donated face shields/masks	21,083 pieces
Value of donated face shields/masks	US\$45,000
Total corporate donations	US\$360,653

Case: SharkNinja's overseas response to the pandemic

Responding to the immediate needs of the local community, in 2020 SharkNinja donated 20,000 masks to Massachusetts General Hospital, where it is headquartered, produced 1,083 masks in-house and donated Shark and Ninja products to local charities.

Recognizing the impact the pandemic has had on the education system in the US, SharkNinja also focused its corporate impact investment efforts on supporting disadvantaged communities with adapting to the new home learning environment, and ensuring that all children and students have access to the tools they need to succeed. SharkNinja donated \$200,000 to non-profit Tech Goes Home, which led to the provision of digital tools and training to over 200 families in Massachusetts. Alongside actions to address digital inequity, through donations of \$50,000 to education charity Boston Partners, SharkNinja also funded the delivery of academic mentoring programs that support disadvantaged students who have been disproportionately affected by the pandemic.



Case: Racing against the clock to assist Hubei to overcome the difficulties together

On January 26, 2020, the second day of the Lunar New Year, with the full implementation of lockdown in Wuhan, medical supplies and living materials were in short supply. Joyoung immediately allocated water purifiers, water boilers, Shark sanitizing steam mop and other supplies, which were sent to Wuhan at the first instance and handed over to the staff of the Red Cross of Wuhan.

Understanding the hardships of the frontline medical staff fighting against the epidemic in Hubei, on February 7, Joyoung, through the Red Cross of Shandong Province, donated 600 insulation water cups and portable water boilers to the first and second batches of medical team members who raced from Shandong to assist Huanggang, Hubei, and provided 2,400 ready-to-eat soymilks to some hospitals in Huangshi, Hubei; and provided 2,000 no-cook oats through Alibaba Foundation to the medical staff, which provided livelihood protection for the frontline medical staff and pay tribute to the heroes in harm's way.



Donations to the front line fighting against the epidemic

Case: Donation of 1,000 ICU medical protective hoods to the SAHZU

In March 2020, Joyoung donated 1,000 sets of ICU medical protective hoods worth RMB0.12 million to the Second Affiliated Hospital Zhejiang University School of Medicine (“SAHZU”), for the epidemic prevention and control of the medical team of the SAHZU aiding Hubei, especially for the self-protection of medical members when treating critically ill patients.



Donation of materials to the SAHZU

7

Environmental Conservation and Management

JS Global Lifestyle incorporates green and sustainable development into its business philosophy, and proactively promotes environmental management and green production, striving to reduce the carbon footprint of its own operations, and is committed to creating an eco-friendly business management model.

7.1 ENVIRONMENTAL MANAGEMENT

JS Global Lifestyle complies with the Environmental Protection Law of the People’s Republic of China, the Water Pollution Prevention Law of the People’s Republic of China, the Air Pollution Prevention Law of the People’s Republic of China, the Law of the People’s Republic of China on the Prevention and Control of Solid Waste Pollution and other local laws and regulations. It has passed the ISO14001:2015 environmental management system certification and its emissions of exhaust gas, waste water and waste residue (the “three wastes”) are in line with relevant national standards, and it is committed to improving its own operation methods to reduce the impact on the environment. Our production technologies determine that the Company does not produce large amount of production pollutants and emissions. The Company’s main environmental impact is derived from the office and domestic waste generated in daily operations. During the Reporting Period, the Company did not receive any environmental complaints or administrative penalties.

Taking action to minimize the impacts of electronic waste, SharkNinja is a member of European and North American recycling stewardship schemes. Membership with these schemes ensure the company takes financial responsibility for the collection and recycling of appliance products and batteries, and that recycling of SharkNinja products is made easy for consumers. In partnership with North American scheme “Call2Recycle”, SharkNinja will soon be able to track how many product batteries are recycled by consumers across North America. Battery recycling boxes are also available at our UK and North American offices. SharkNinja has also conducted a waste audit of its London office, updated its office recycling guidelines, implemented a food waste composting program at its Boston headquarters and terminated the use of disposable coffee filters and bottled water. Looking ahead, SharkNinja is working hard to replace all plastic-based materials with sustainable solutions, such as replacing plastic consumables with paper and biodegradable materials.

As a proactive response to the government’s call, Joyoung has established a waste sorting organization leading group in accordance with the requirements of the Domestic Waste Management Regulations of Hangzhou to implement waste sorting and carry out waste sorting publicity activities. To better carry out waste sorting, Joyoung has assigned a dedicated person to supervise the implementation of waste sorting, implemented a working mechanism of daily review, monthly summary, and weekly report, and upgraded the waste recycling area and supporting facilities. In addition, through organizing waste sorting publicity and training activities, encouragement of advanced departments and individuals, etc., it has improved the environmental awareness and participation of employees.



“Waste Sorting Classroom” for Industrial Tourism of Joyoung

In 2020, Joyoung added the “Waste Sorting Classroom” environmental protection practice class to the industrial tourism route to pass on waste sorting knowledge. By sharing its own practices, Joyoung actively guided visitors to participate in waste sorting, to jointly build a green home.

Waste emission	Unit	Data for 2019	Data for 2020
Total weight of hazardous waste	Tonnes	4.3	0.74
Weight of hazardous waste against revenue	Kg/dollar in million	1.43	0.18
Total weight of non-hazardous waste	Tonnes	1,213.70	1,378.17
Weight of non-hazardous waste against revenue	Kg/dollar in million	402.42	328.46

7.2 RESPONSE TO CLIMATE CHANGE

Climate change is a hot topic and of significant concern to the international community. Reducing carbon emissions and actively responding to the risks and opportunities brought by climate change is important for the future development of the business.

We are fully aware that the crisis of climate change is not only related to the Earth’s ecosystem and nature, but also brings unprecedented opportunities and challenges to the development of the global economy, society and enterprise. In 2020, JS Global Lifestyle identified the risks climate change presents to the development of the business. The main risks include: 1) Market risk-increase in raw material costs. Our parts suppliers and their upstream suppliers may be subject to more stringent energy saving and emission reduction requirements, or be exposed to the risk of inclusion in the carbon emission market, carbon tax and other policy developments. If they face higher costs, these costs may be passed on to JS Global Lifestyle. 2) Market risk-changes in consumer preferences. At present, public support for low-carbon, sustainable lifestyles and development is growing. As a result, more consumers are demanding products and services that align with their values. In response, the consumer goods industry may make changes to its product offering, such as adopting low-carbon product design techniques and conducting product carbon footprint calculations, with a view to expand market reach and benefit from a competitive advantages over other brands through fostering a green, sustainable, eco-friendly brand image. In this context, JS Global Lifestyle will continue to deepen our innovation and iteration of green products and adhere to any sustainable development strategies in order to adapt to new green development trends within the market.

In order to manage the risks of climate change, JS Global Lifestyle has carried out a series of actions to support the Company with climate change mitigation and adaptation. In terms of energy saving and emission reduction, we advocate for energy efficient production and operations in all our business activities. During the reporting period, SharkNinja planned and carried out a series of energy-saving and emission-reduction measures in our offices such as turning off the lights and bright blinds at night, and installation of smart meters to monitor energy consumption. Joyoung also actively promoted green office initiatives, including staff engagement initiatives such as online Q&A activities on energy saving and emission reduction with prizes, advocacy of double-sided printing, replacement of urban business vehicles with public transportation, turning off lights during lunch breaks, and replacing inefficient lighting with new energy-saving lamps in batches throughout the park.

Environmental Conservation and Management

JS Global Lifestyle also occupies sustainable office and production premises. SharkNinja's headquarters in Boston, Massachusetts recently passed the Silver LEED³ certification and contains energy saving features such as LED lighting, a daylight harvesting system and occupancy sensors. In China, 35,000 square meters of solar photovoltaic panels have been installed on the roof of the Joyoung Creative Industrial Park. 79% of the clean electricity generated by the panels is for the park's own use, which reduces reliance on grid power for production in the plant.

In the UK, SharkNinja purchases Verifies Carbon Standard credits to offset its Scope 1, 2 and 3 greenhouse gas emissions, including business travel, shipping and road freight. Through purchase of verified carbon offsets, SharkNinja's UK operation has achieved carbon neutrality since 2018. In addition to offsetting carbon emissions, SharkNinja's UK office has also subsidized tree planting projects in order to offset the deforestation impact of product cardboard packaging, thereby reducing the environmental impact of cardboard consumption. Between 2018–2020, SharkNinja UK has funded the planting of 4,250 trees in local communities in the UK and 65,250 trees in the Amazon rainforest.

In 2019, our business in the UK generated 6,338 tonnes of CO₂e greenhouse gas emissions, which were successfully offset in 2020 by supporting the Portel-Parà REDD+⁴ project. The project provided legal land use certificates for local villages that proactively participated in the protection of the Amazon tropical rainforest. The project introduced agroforestry technologies to improve local food security, supported local communities to develop small sustainable businesses, and effectively prevented deforestation in the protected areas. The project supports the United Nations Sustainable Development Goals 8 (decent work and economic growth), 13 (climate action) and 15 (life on land). Following the assessment of our 2020 UK carbon emissions, we plan to continue with our carbon offsetting program and maintain our carbon neutrality status in the UK.

³ LEED: "Leadership in Energy & Environmental Design Building Rating System"

⁴ REDD+: refers to the mechanism to reduce emissions from deforestation and forest degradation in developing countries, and to increase forest carbon storage through afforestation and sustainable management



Planting Activities in the Amazon and UK

SharkNinja UK has carried out global tree planting activities in the Amazon rainforest since 2018, and has its own plantation, which plays a role in biodiversity conservation in Tarapoto, Peru. Tree planting also takes place in the UK, making a positive impact both in the local community and globally.



SharkNinja tree plantation in Peru, Tarapoto.



Photographs of tree planting in the UK, Wakefield.

Environmental Conservation and Management

Energy type	Unit	Data for 2019	Data for 2020
Electricity from grid	kWh	18,324,756.00	20,383,523.60
Renewable electricity consumption	kWh	/	2,404,604
Total electricity consumption	kWh	18,324,756.00	22,788,127.60
Electricity per revenue	kWh/dollar in million	6,075.85	5,431.18
Gasoline	Litre	/	60,407.69
Natural gas	Cube meter	/	74,172.03

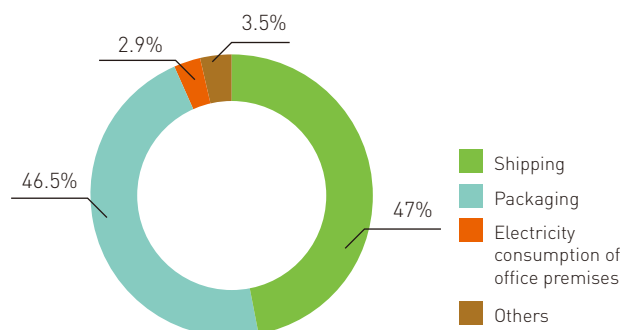
Greenhouse gas emissions	Unit	Data for 2019	Data for 2020
Scope 1 greenhouse gas emissions	Tonne CO ₂ e	581.70	4,089.96
Scope 2 greenhouse gas emissions	Tonne CO ₂ e	13,842.40	13,183.14
Total greenhouse gas emissions	Tonne CO ₂ e	14,424.10	17,273.10
Greenhouse gas emissions against revenue	Tonne CO ₂ e/dollar in million	4.78	4.12

Notes: SharkNinja's emission was calculated in accordance with Part 1 of ISO 14064: 2018 *Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*, using the 2020 conversion factors developed by the UK Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). Joyoung's emission was calculated in accordance with *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Other Industries (Trial)* released by National Development and Reform Commission of China, where the standards and factors were indicated. The conversion factor of electricity used was from *Baseline Emission Factors of China's Regional Power Grid*.

Carbon Footprint Calculation by SharkNinja

In 2020, SharkNinja engaged a third party to calculate the company's carbon footprint in accordance with Part 1 of ISO 14064: 2018 *Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals*. According to the calculation report, shipping and product packaging are SharkNinja's most significant sources of greenhouse gas emissions. This result will be used to guide the company on best emission reduction strategies, with great focus on these two areas to reduce the organization's total carbon footprint.

Breakdown of 2020 Organizational Carbon Footprint of SharkNinja



7.3 USE OF RESOURCES

Efficient use and recycling of resources is an important environmental protection goal for JS Global Lifestyle. We actively manage the use of water resources, packaging materials, paper and other resources, and promote the circular use of resources throughout our supply chain.

Packaging Improvement Project

SharkNinja is committed to positively impacting the lives of people every day all over the world, and reducing global resource consumption and minimizing waste is one of our key sustainability goals. In 2020, SharkNinja carried out a detailed refresh of product packaging across each product category and we are pleased to announce that 98% of the Company's product range is now made from 95% recyclable materials. The packaging changes included replacing Styrofoam with recyclable pulp guards, using non-petroleum-based inks (soy ink) for packaging and printing, and fully recyclable cardboard boxes. These changes ensure that consumers can recycle our packaging and encourages the circular use of packaging materials.



ECOBX Initiative

In Europe, SharkNinja trialed new packaging on a range of products (ECOBX) with environmentally friendly materials, modern design and groundbreaking language to convey our firm position on sustainable development. The environmentally friendly packaging completely abandons the use of plastic materials and simplifies the traditional packaging of both a transport carton and gift box into one high-quality brown recyclable packaging box, reducing unnecessary waste of resources. In addition, the ECOBOX and inner packaging is fully recyclable, so that our consumers can dispose of the waste packaging responsibly.

Environmental Conservation and Management

Responsible Recycling of Products

JS Global Lifestyle recognizes that our products contain metal, plastic, rubber, glass and other precious materials, which are recoverable resources with a high recycling value. We take appropriate measures to ensure effective conservation of resources and to reduce the pollution impacts of mismanaged electronic waste. SharkNinja prioritizes the reuse and recycling of scrapped products and prototypes, and refurbish and resell old, returned or faulty products where possible to support the transition to a more circular economy. Joyoung encourages consumers to hand over small household appliances of any brand to Joyoung for recycling, and grants a subsidy of up to RMB400 for the purchase of a new appliance. In 2020, SharkNinja successfully refurbished 586,000 returned products for resale, reducing the generation of polluting electronic waste. Joyoung recycled 100,000 scrapped household appliances through “trade-in”, all of which were handed over by after-sales outlets to a local professional recycling company for proper disposal.

	Category	Unit	Data for 2019	Data for 2020
Water consumption	Water consumption	Tonnes	212,061	207,547
	Water consumption against revenue	Tonnes/dollar in million	70.31	49.47
Consumption of packaging materials	Paper packaging materials	Tonnes	/	104,452
	Plastic packaging materials	Tonnes	/	8,997
	Total packaging materials	Tonnes	/	113,449
	Consumption of packaging materials against revenue	Tonnes/dollar in million	/	27.04

Index to the ESG Indicators of the Stock Exchange

Disclosure indicators		Section	
Area: Environmental			
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Management
	A1.1	The types of emissions and respective emissions data	Environmental Management
	A1.2	Greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Response to Climate Change
	A1.3	Total hazardous waste produced (in tons) and where appropriate, intensity (e.g. per unit of production volume, per facility)	Environmental Management
	A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Environmental Management
	A1.5	Description of measures to mitigate emissions and results achieved	Response to Climate Change
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Environmental Management, Use of Resources

Index to the ESG Indicators of the Stock Exchange

Disclosure indicators		Section	
Area: Environmental			
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Response to Climate Change
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh) and intensity (e.g. per unit of production volume, per facility)	Response to Climate Change
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Use of Resources
	A2.3	Description of energy use efficiency initiatives and results achieved	Response to Climate Change
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Use of Resources
	A2.5	Total packaging materials used for finished products (in tons) and, where appropriate, with reference to per unit produced.	Use of Resources
A3: Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Response to Climate Change, Use of Resources
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Response to Climate Change, Use of Resources

Index to the ESG Indicators of the Stock Exchange

Disclosure indicators		Section	
Area: Social			
Employment and Labor Standard			
B1: Employment	General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Employment, Caring for Employees
	B1.1	Total workforce by gender, employment type, age group and geographical region	Employment
	B1.2	Employee turnover rate by gender, age group and geographical region	Employment
B2: Health and Safety	General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Caring for Employees
	B2.1	Number and rate of work-related fatalities.	Caring for Employees
	B2.2	Lost days due to work injury	Caring for Employees
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Caring for Employees
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Career Development and Training
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Career Development and Training
	B3.2	The average training hours completed per employee by gender and employee category.	Career Development and Training

Index to the ESG Indicators of the Stock Exchange

Disclosure indicators			Section
B4: Labor Standard	General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Employment
	B4.1	Description of measures to review employment practices to avoid child and forced labor	Employment
	B4.2	Description of steps taken to eliminate such practices when discovered	Employment
Area: Social			
Operation Practices			
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supplier Management, Sustainable Supply Chain
	B5.1	Number of suppliers by geographical region	Supplier Certification
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Supplier Management, Sustainable Supply Chain
B6: Product Responsibility	General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Product Quality, Customer Service
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Quality
	B6.2	Number of products and services related complaints received and how they are dealt with.	Customer Service
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Protection of Intellectual Property Rights
	B6.4	Description of quality assurance process and recall procedures.	Product Quality
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Customer Service

Index to the ESG Indicators of the Stock Exchange

Disclosure indicators			Section
Area: Social			
B7: Anti-corruption	General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Business Ethics
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Business Ethics
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Business Ethics
Community			
B8: Community investment	General Disclosure	Policies on community engagement to understand the needs of communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Corporate Citizenship
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	Corporate Citizenship
	B8.2	Resources contributed (e.g. money or time) to the focus area	Corporate Citizenship

Feedback Form

Dear readers,

Thank you very much for taking time out of your busy schedule to read the 2020 Environmental, Social and Governance Report of JS Global Lifestyle Company Limited. We sincerely expect your opinions and suggestions about this report and our work. You may send by post, or e-mail a scanned copy the completed feedback questionnaire to us, or you can directly call us to put forward your precious opinions. Thank you!

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1. What kind of stakeholders of JS Global Lifestyle Company Limited does your employer belong to:
 Government and regulatory authority Shareholder and investor Consumer Supplier Dealer
 Media and public Community Other _____ (Please specify)
2. Have you ever read the Environmental, Social and Governance Report of the Company (If your answer is No, please skip Questions 3, 4 and 5):
 Yes No
3. If yes, have you read a paper version or electronic version?
 Paper version Electronic version
4. Do you expect to read a paper version or electronic version?
 Paper version Electronic version
5. Your comprehensive evaluation on 2020 Environmental, Social and Governance Report:
 - Readability (Popular and easily understood expression, beautiful design, attractive content, and easy to find the desired information)
 3 (Good) 2 (Average) 1 (Poor)
 - Creditability (The reporting information is authentic and reliable)
 3 (Good) 2 (Average) 1 (Poor)
 - Information Integrity (Both the positive and negative information is considered, and your need for information can be satisfied)
 3 (Good) 2 (Average) 1 (Poor)

Apart from the information already disclosed in the report, what else information do you expect more to read?

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