



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

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



2021

Environmental, Social
and Governance Report

Quality Products.
Healthy Lifestyle



Quality Products,
Healthy Lifestyle

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ABOUT THIS REPORT

This is the third environmental, social and governance (“**ESG**”) report (the “**Report**”) published by JS GLOBAL LIFESTYLE COMPANY LIMITED. The Report is prepared in accordance with the actual operational data of the Company and responds to the issues of most concern to our stakeholders, which truly reflects JS Global Lifestyle’s performance of its economic, social and environmental responsibilities. The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company has reviewed the Report and is responsible for the authenticity and validity of the information contained.

Reporting Standards

The Report is 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 (the “**Listing Rules**”) 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 by reference to the reporting standards such as the GRI Standards issued by the Global Reporting Initiative.

Reporting Principles

Materiality: To prepare the Report, the Company evaluates the significance of issues, which determines the disclosure content of the Report and the degree of detail to which each issue is explored within the 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 demonstrate the Company’s performance against each ESG indicator.

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

Consistency: Unless otherwise specified, the data disclosed in the Report have been compiled according to the Company’s unified information collection process and working mechanism, which ensures that the data are comparable year after year.

Reporting Period and Scope

The reporting scope includes all areas of the Company that are within its financial control and operational influence, as well as areas with particular ESG significance to the Company and its stakeholders. The content of the Report mainly focuses on the Company’s core businesses and the overall sustainability and corporate social responsibility performance of the Company from January 1, 2021 to December 31, 2021 (the “**Year**” or the “**Reporting Period**”). Certain information of the Report for the Year is compared with that of the Reports for 2019 and 2020 to show the relevant change trend. The policy, environmental and social metrics included in the Report cover the following operations¹:

SharkNinja Operating LLC, including:

- SharkNinja Operating LLC, with premises in the United States:
 - Needham, Massachusetts (HQ)
 - Auburn, Alabama

¹ In case of any discrepancy, the company’s traditional Chinese name shall prevail.

ABOUT THIS REPORT

- Bentonville, Arkansas
- Chino, California (distribution centre)
- Irvine, California
- Minneapolis, Minnesota
- Madison, Tennessee
- SharkNinja Canada Co., with premises in Canada:
 - Montreal, Quebec
 - Toronto, Ontario
- SharkNinja Europe Ltd. Headquarters in Leeds, the United Kingdom, and its subsidiaries:
 - SharkNinja France SAS (premises in Paris)
 - SharkNinja Germany GmbH (premises in Frankfurt)
 - UK Euro Pro Ltd., (London, the United Kingdom)
 - SharkNinja Co. Ltd, Tokyo, Japan
- Shenzhen SharkNinja Technology Co., Ltd. (premises in Shenzhen, China)
- Suzhou SharkNinja Technology Co., Ltd. (premises in Suzhou, China)

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.

Explanations on Short Names

For ease of presentation, in this report, JS GLOBAL LIFESTYLE COMPANY LIMITED is expressed as “we”, the “Company” and “JS Global Lifestyle”; SharkNinja Operating LLC is expressed as “SharkNinja”; and Joyoung Co., Ltd. is expressed as “Joyoung”.

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.

MAJOR ACHIEVEMENTS & ESG HIGHLIGHTS



Capital Market Rating

FTSE Russell ESG Ratings

JS Global Lifestyle scored

2.8 in 2021

while the average score for the industry

was **2.2**.

HKQAA-Hang Seng Sustainability Rating

JS Global Lifestyle was

awarded **A-** in 2021,

outperforming the average level of the industry

in 2021.

S&P Global Dow Jones Corporate Sustainability Assessment (CSA)

JS Global Lifestyle

scored **45** in 2021 while

the average score for the

industry was **24**.



Honours and Awards

Awarded Company

SharkNinja Operating LLC

Awards

- 2020 QVC and HSN "Vendor of the Year" awards in the Star Awards
- Eight Home Industry Performance Awards issued by NPD Group
- Awarded by NPD Group as the No. 1 vacuum brand in the United States (the "U.S.") for 4 consecutive years
- Ninja won the 2022 Allrecipes Community Choice Awards
- Ninja (Ninja Foodi 13-in-1) received the Gear of the Year: Best Products Tested in 2021 and the Best Versatile Cooking Appliance
- Ninja (Ninja Foodi Never Dull Knife System) won the 2021 Live Better Awards and the Kitchen Gear Awards from Good Housekeeping magazine
- Ninja (Ninja DualBrew coffee makers) was awarded the "Best Coffee Maker" from "Rolling Stone Essentials" in 2021
- Ninja (Dual Zone Air Fryer AF300UK) won the 2021 "Trusted Review" Product Award for "Best Kitchen Gadget" in the United Kingdom (the "U.K.")
- Shark (Shark Wandvac series) won the Cleaning Awards "Slimmest Stick Vacuum" from Good Housekeeping magazine in 2021
- Shark (Shark steam mops) won the Cleaning Award "Deep-Cleaning Steam Mop" from Good Housekeeping magazine in 2021 and the "Best Deep Cleaner for Floors" from the Better Homes & Gardens magazine
- Shark (Shark VACMOP Pro) won the "Best Vacuum-Mop Hybrid" from the Better Homes & Gardens magazine in 2021
- Shark (wireless stick vacuum cleaner EVO W30) won the "Best Buy High-End Stick Vacuum" from Kaden Hihyo magazine in 2021




Awarded Company

Joyoung Co., Ltd.

Awards

- Top 100 National Light Industry Technology Enterprises
- China's most influential small household appliance brand for 13 consecutive years
- Social Responsibility Award for A-share Listed Companies
- Evergreen Award for Sustainable Development and Inclusion
- National E-Commerce Demonstration Enterprise
- National Consumer Goods Standardization Pilot Enterprise
- Top 100 China Light Industry/Top 100 Technology Enterprise
- Application of Space Kitchen in China Space Station
- Shandong Provincial Smart Factory
- Shandong provincial-level household appliance industry chain master enterprise

Performance Highlights by Section

Chapter	Highlights
 <p>SUSTAINABILITY MANAGEMENT</p>	<ul style="list-style-type: none"> ● The Company has established an effective ESG structure ● In 2021, no case of violations of laws and regulations was recorded in JS Global Lifestyle
 <p>PRODUCTS AND SERVICES</p>	<ul style="list-style-type: none"> ● In 2021, JS Global Lifestyle invested over US\$219 million in research and development ● SharkNinja was licensed with 336 patents and 46 trademarks in 2021; in 2021, Joyoung applied for 2,068 patents and owned a total of 10,129 patents as of December 31, 2021 ● In 2021, JS Global Lifestyle has not experienced active or passive recalls of products due to product quality issues related to safety and health ● In 2021, SharkNinja achieved customer satisfaction rates of 86%, 83.4% and 87.4% in North America, the U.K. and Japan, respectively, while Joyoung recorded a customer satisfaction rate of 96.5% ● JS Global Lifestyle engaged or participated in the formulation of 33 standards from 2018 to 2021, including 14 national standards, 4 industry standards and 15 group standards
 <p>SUPPLY CHAIN MANAGEMENT</p>	<ul style="list-style-type: none"> ● In 2021, JS Global Lifestyle had 219 tier-1 suppliers and 137 key suppliers, and Joyoung had 107 suppliers that have cooperated for more than 5 years, accounting for 32% of the total number of its suppliers, and 16 strategic suppliers ● SharkNinja conducted internal audit on all its tier-1 suppliers during the year; in 2021, Joyoung audited 22 of its suppliers

Performance Highlights by Section

Chapter

Highlights



ENVIRONMENTAL CONSERVATION AND MANAGEMENT

- In 2021, SharkNinja U.K. warehousing and logistics partner received three BREEAM certifications, and SharkNinja's headquarters received LEED Silver certification; Joyoung passed ISO 14001:2015 Environmental Management System certification
- In 2021, JS Global Lifestyle invested RMB2,156,000 in environmental protection, including RMB1,556,000 in energy conservation and emission reduction
- In 2021, JS Global Lifestyle heightened its requirements in five aspects: greenhouse gas emission, energy consumption, material consumption, water consumption and waste generation, and continued to monitor the progress of plan implementation and achievement of targets
- In 2021, SharkNinja refurbished a total of 818,899 products, generating a revenue of USD13,832,973 through waste recycling and reduction
- SharkNinja's cooperation with the "Call2Rccycle" program provided consumers with battery recycling points; JS Global Lifestyle's offices in the U.K. and North America have set up battery recycling boxes, and they practiced packaging management responsibility in Canada by supporting the "Blue Box" program
- In 2021, SharkNinja conducted a company-wide carbon emissions assessment, covering Scope 1 (direct emissions), Scope 2 (purchased energy) and part of Scope 3 (upstream and downstream) emissions, and conducted a carbon emissions assessment and calculation in compliance with ISO 14064:2018, and offset its carbon footprints generated through the purchase of carbon credits under verified carbon standard ("VCS")
- In 2021, Joyoung planted 27,845 square meters of greenery

Performance Highlights by Section

Chapter

Highlights



EMPLOYEE MANAGEMENT

- In 2021, JS Global Lifestyle had 5,420 full-time employees and 162 part-time employees, with contracts signed with all our full-time employees
- In 2021, SharkNinja and Joyoung invested USD1.4 million and RMB5 million respectively, in employee training
- In 2021, SharkNinja conducted the employee engagement survey and the employee engagement score was 72%
- In 2021, SharkNinja established a strategy and target known as Diversity, Equity & Inclusion (“DEI”), aiming to have more than 20% of its new employees coming from socially disadvantaged groups by 2022; Joyoung made remarkable efforts to guarantee the employment opportunities of the disabled by employing 46 persons with disabilities
- In 2021, Joyoung renewed its stock option plan, covering 107 employees, to whom it has granted 15.6 million stock options
- Joyoung’s employee training platform “Xiaoyang School” trained a total of 55,000 people with 60 training hours each
- In 2021, Joyoung opened 22 employee interest clubs, with 97 children of its employees participating in the free summer parent-child training sessions

Performance Highlights by Section

Chapter

Highlights



SOCIAL WELFARE

- In 2021, JS Global Lifestyle has spent US\$2.66 million on charity activities, with 697 volunteers contributing 7,727 hours of volunteer services
- In 2021, the projects under “Joyoung Charity Kitchen” have spanned over 222 counties of 27 provinces and cities across China, and 1,217 kitchens, which meet the basic food hygiene requirements, built to benefit more than 2.6 million students
- Joyoung and its founding team pledged to donate no less than RMB110 million to the “Joyoung Charity Kitchen” project in the next ten years, and planned to pick 100 schools in rural areas and offer RMB80,000 to RMB100,000 to each of them each year

United Nations Sustainable Development Goals

Our focus, strategies and goals of sustainability align perfectly with the United Nations Sustainable Development Goals (“SDG”), i.e. “Creating a better and more sustainable future for all”. As a corporate citizen, we take active steps to address the environmental and social challenges we face. Our sustainability initiatives and goals are in line with the United Nations Annual Agenda for 2030 for Sustainable Development, and in particular, consistent with the following United Nations Sustainable Development Goals:

Environmental Management



→ Please refer to the section headed “Environmental Conservation and Management”

Product and Supply Chain Management



→ Please refer to the section headed “Products and Services” and “Supply Chain Management”

Community Engagement



→ Please refer to the section headed “Social Welfare”

Safety, Workplace and Operations



→ Please refer to the section headed “Employee Management”

Corporate Governance



→ Please refer to the section headed “Sustainability Management”

MESSAGE FROM THE CHAIRMAN

2021 represents another pivotal year for JS Global Lifestyle in our pursuit of sustainable development. In face of the ongoing global rampage of the COVID-19 pandemic, we unwaveringly prepared ourselves for the unprecedented challenges, while making good use of the opportunities arising therefrom to build up our capabilities. We have developed and introduced to the market a portfolio of well-trusted brands leveraging three of our core competencies as well as two well-performing business segments: SharkNinja, who has been the market leader in a large number of product categories and markets, and Joyoung, who has been enjoying the biggest market share in several ground-breaking product categories for years. I would proudly attribute such a brilliant performance to our development philosophy known as “continuing to improve the quality of daily life of our customers around the world through revolutionary innovation and design-driven smart household appliances”.

JS Global Lifestyle has been committed to improving our performance in corporate governance by actively communicating with our stakeholders and continuously improving ourselves based on their feedback. Adhering to our ethical business standards, we have adopted a set of regulations and measures to keep us alert against corruption, rolled out stringent requirements for our employees, suppliers and partners, and made great efforts to strengthen integrity training for them, hoping to create a clean and agreeable business environment for them. We care for our employees as we listen to their requests and strive to satisfy their demands, helping them prepare themselves for greater achievements and realize their personal values while providing them with an enjoyable workplace.

As a global leading supplier of quality and innovative small household appliances, we are committed to providing our customers with high-quality products and services, so that they can indulge themselves in the “five-star” experience that our products bring to them. We rely on our relentless innovation and R&D of cutting-edge technologies to remain competitive, and establish a robust R&D team to provide us with superior technical support; we are very serious about quality control, for which we have passed several quality certifications, and gained recognition from all walks of life; we insist on our two-prong approach, i.e. our cutting-edge technologies and influential brands, to expand our marketing channels and polish our image by responsible marketing. At the same time, we have established an efficient customer communication mechanism to improve their satisfaction. In order to drive the advancement of our industry, JS Global Lifestyle engaged or participated in the formulation of 33 standards from 2018 to 2021, including 14 national standards, 4 industry standards and 15 group standards, making continuous contributions thereto. In addition, we have been striving to build a sustainable supply chain, helping our suppliers improve their management expertise and ESG performance.

In 2021, JS Global Lifestyle scored new breakthroughs in environmental management, as SharkNinja’s headquarters has obtained the Silver LEED Certificate and Joyoung passed the environmental management system certification. We continued to innovate product packaging by recycling scrapped products, and restoring and refurbishing old products, aiming to reduce environmental pollution while improving profitability. Emission reduction is also an important part of our corporate responsibility, pursuant to which SharkNinja has actively participated in many environment protection projects and made continuous efforts to research on the recycling and disposal of used household appliances and batteries. In addition, in order to reduce carbon emissions, SharkNinja has planted a large number of trees in the U.K. In 2021, Joyoung recycled and properly disposed of 150,000 used and waste household appliances in addition to vigorously planting trees, as a resolve to fulfil its mission of environmental protection and ecological balance.

JS Global Lifestyle regards the accomplishment of its social responsibility as part of the process of corporate development and operation, and has been involved in a number of charity campaigns to spread hope and love across the world. We redoubled our efforts in creating Charity Kitchen to enhance health awareness among people in the rural areas in China; we coordinated public welfare activities to provide financial support to the students in need. In 2021, SharkNinja has made vigorous efforts to mobilize its employees to do their parts in making the world a better place to live in. The “Joyoung Charity Kitchen” programme has spanned over 222 counties in 27 provinces and municipalities across China, and it’s promised to invest no less than RMB110 million in public welfare fund in the next 10 years.

Wang Xuning
Chairman

BOARD STATEMENT ON ESG

JS Global Lifestyle attaches great importance to ESG issues. 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 of JS Global Lifestyle is the highest responsible decision-making authority for ESG matters. The Board has established a management-level ESG committee (the "**ESG Committee**") that is responsible for overseeing the implementation of the Board's ESG decisions. The ESG Committee reviews ESG risks, oversees the implementation and promotion of ESG initiatives and reports to the Board on a regular basis. It takes responsibility for the Company's ESG issue. The ESG Committee has established an ESG working group. The working group is composed of senior management representatives from JS Global Lifestyle, SharkNinja and Joyoung, who are responsible for monitoring and guiding the implementation of the Company's sustainability policies and programs within their business division.

In 2021, JS Global Lifestyle continued to standardize its ESG governance and management process, with a specific focus on determining material ESG issues internally. Based on a review of external social, economic and environmental developments and the Company's business strategy, we asked our key stakeholders to help us identify, evaluate and manage ESG issues that they consider important to the Company, and optimized our communication of these issues.

JS Global Lifestyle attaches importance to ESG disclosure-related work, 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 has currently formulated performance targets including environmental and social targets, which will be reviewed and followed up by the Board.

JS Global Lifestyle pays attention to ESG risks that may have significant impacts on the Company and regularly conducts assessments of important ESG issues and reports them to the Board for review, based on the external socio-economic macro environment and the Company's development strategy. The Board discusses and identifies ESG risks and opportunities of the Company and makes the management and enhancement of important issues an ESG priority. JS Global Lifestyle has also identified the risks and opportunities that climate change brings to the Company and has initiated actions to address these risks and opportunities. In the future, JS Global Lifestyle will continue to strengthen its ability to manage climate risks and opportunities, assess the risks based on the initial identification, and develop response plans.

The Report discloses the progress and the effectiveness of JS Global Lifestyle's ESG activity throughout 2021, and was reviewed and approved by the Board on 29 March, 2022. The Board and all directors of the Company warrant that this report does not contain any false information, misleading statement or material omission, and accept joint and several responsibilities for the truthfulness, accuracy and completeness of the contents herein contained.

ABOUT US

Company Profile

JS Global Lifestyle Company Limited is a global leader in high-quality, innovative small household appliances with its registered office located in the Cayman Islands and its head office located in Hong Kong, 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 centered 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 for 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 U.S., the two largest small household appliances 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 gained 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.

Business Review

The Group's success is centered 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 model with high penetration. Through continuously creating new products, expanding and diversifying our product portfolio, together with the diverse product portfolio, we explore markets, create consumer demand, innovate our product categories by building up market anticipation around new products, and reshape consumer behaviors and lifestyles around the world.

We Focus on Three Core Competencies:

- I. developing transformational innovative products with appealing designs;
- II. effecting multi-form brand marketing;
- III. building a global omni-channel sales network.

These core competencies are supported by the operational infrastructure of the Company, 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. The Company offered its transformational innovative small household appliances under the brand name of Joyoung prior to the acquisition of SharkNinja in September 2017 and has expanded its global business since then. During the Reporting Period, we mainly operated two business segments:

- SharkNinja is an innovative leader in the categories of consumer floor care and small kitchen appliance, which focuses on home environment appliances and kitchen appliances which are sold directly in North America, Europe, Japan and through distributors to various countries around 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.

Corporate Culture

VISION

To become a global leader focusing on innovative small household appliances

- Innovation and health as the core DNA of the brand
- To vigorously promote high-tech and intelligent products and improve brand strength around the globe
- To focus on the global small appliance market
- To build a global supply chain system with high flexibility



MISSION

To positively impact people's lives around the world every day through transformational, innovative, and design-driven smart home products!



Core Values:

People Orientation

Respect employees, care for employees, cultivate employees, recognise employees

Take pride in the achievements and development of employees, and create equitable, fair and transparent working environment with people orientation in innovation.

Teamwork

Encourage team collaboration

Encourage employees to consciously integrate into the team, rely on the team to achieve personal development, and cultivate the ability and habits of conscious communication and collaboration.

Responsibility

Be a responsible enterprise and benefit the society

Insist on being responsible to users, employees, partners and shareholders, and require employees to be sincere, pragmatic, and true to their words.

Health

Choose a healthy business, and make healthy products

Health is the core quality of our business. We pursue simplicity, efficiency and standardisation to provide employees with a healthy working platform.



DEVELOPMENT STRATEGY:

- Promote the enterprise's technology innovation
- Drive the healthy development of the industry
- Improve the quality of enterprise products
- Achieve the global breakthroughs in standards





01

**SUSTAINABILITY
MANAGEMENT**



SUSTAINABILITY MANAGEMENT

SDGs responded under this section



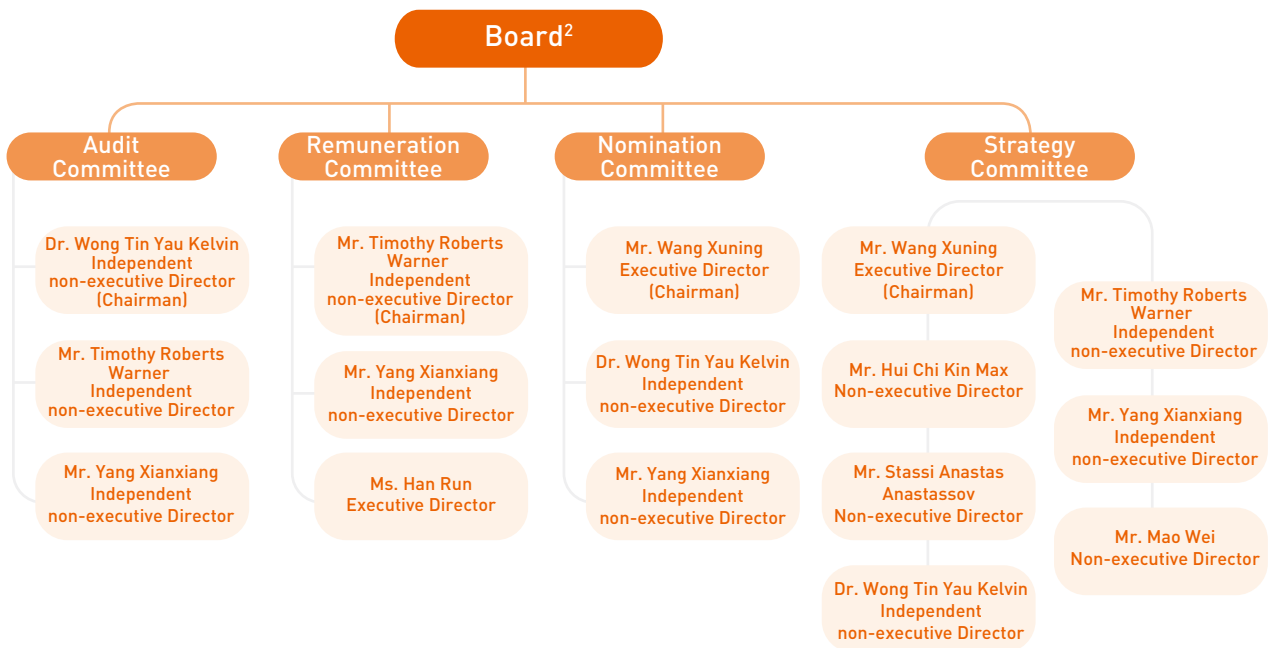
Material ESG issues covered in this section

- Business Ethics
- Business Growth
- Corporate Governance
- Risk Management
- Internal Control

1.1 Corporate Governance

JS Global Lifestyle strictly complies with the Hong Kong Companies Ordinance, the Corporate Governance Code set out in Appendix 14 to the Listing Rules and the Environmental, Social and Governance Reporting Guide contained in Appendix 27 to the Listing Rules and other applicable laws and regulations and the laws and regulations in the places where it operates, and continues to improve the corporate governance structure. The Board and its specialized committees are responsible for the management with clear and efficient authority and responsibilities to ensure the sound operation of the Company.

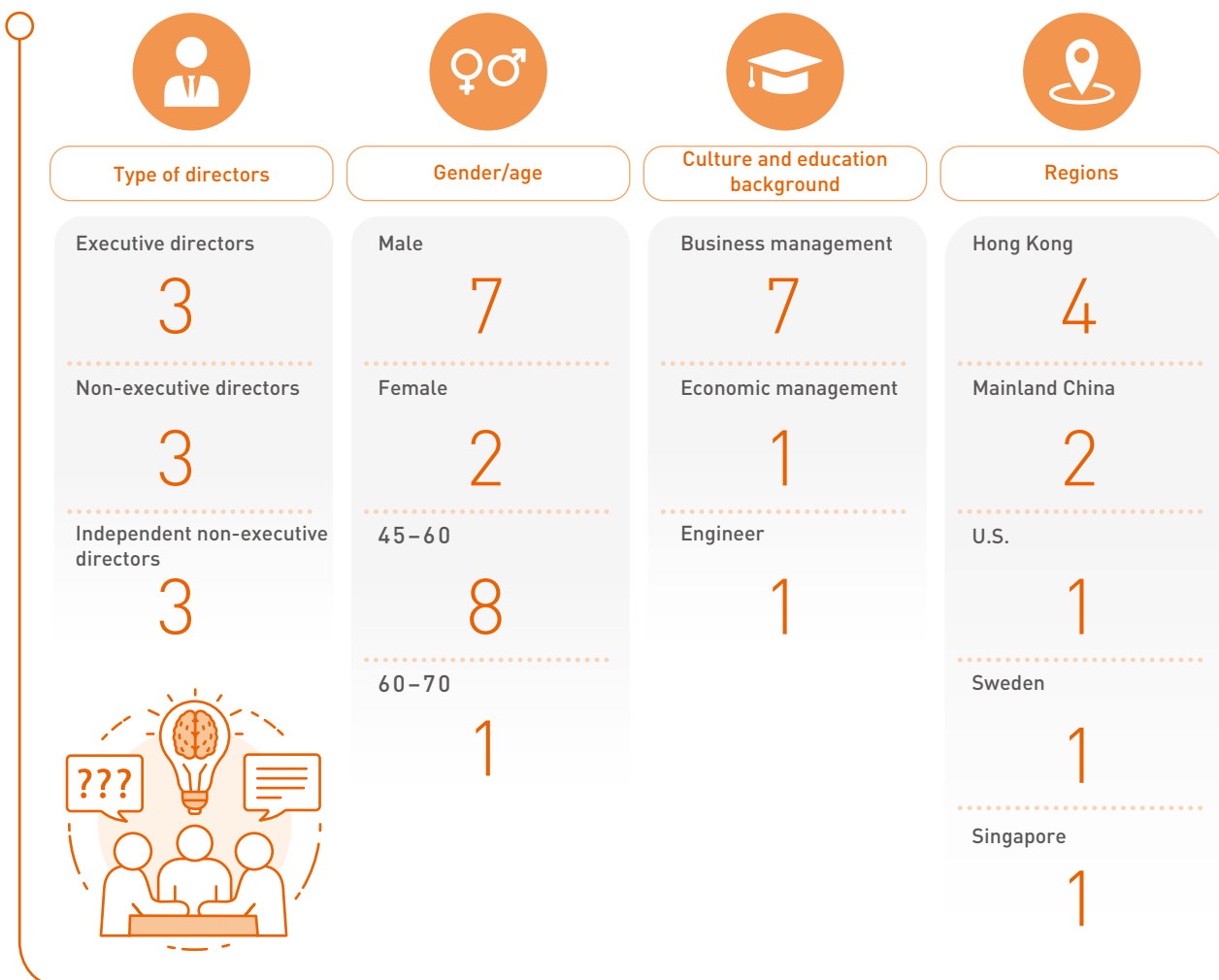
The Board is a standing decision-making body of the Company. The Directors perform their duties conscientiously in the interest of all shareholders. In 2021, the Company held 4 Board meetings to consider a total of 16 resolutions, including the annual report. The attendance rate of the Directors was 100%, and the Directors have an average term of service of 2.64 years, ensuring that the Company’s operation was carried out in an orderly and compliant manner.



² Ms. Huang Shuling [Executive director] is one of our Board members

The Company protects the diversity of board members in accordance with the Policy on Diversity of Board Members. The directors come from different industries at home and abroad, and the composition of the Board is diverse. The knowledge structure and areas of expertise of each Director are both professional and complementary to each other, which helps to ensure the scientific nature of the Board’s decisions to the largest extent. In particular, Dr. Wong Tin Yau Kelvin has taken a term of service of approximately 2.5 years as an industry expert in the Audit Committee. In addition, three non-executive Directors of the Audit Committee possess professional knowledge in risk management which enable them to supervise efficient performance of our risk management.

Diverse Board Composition of JS Global Lifestyle

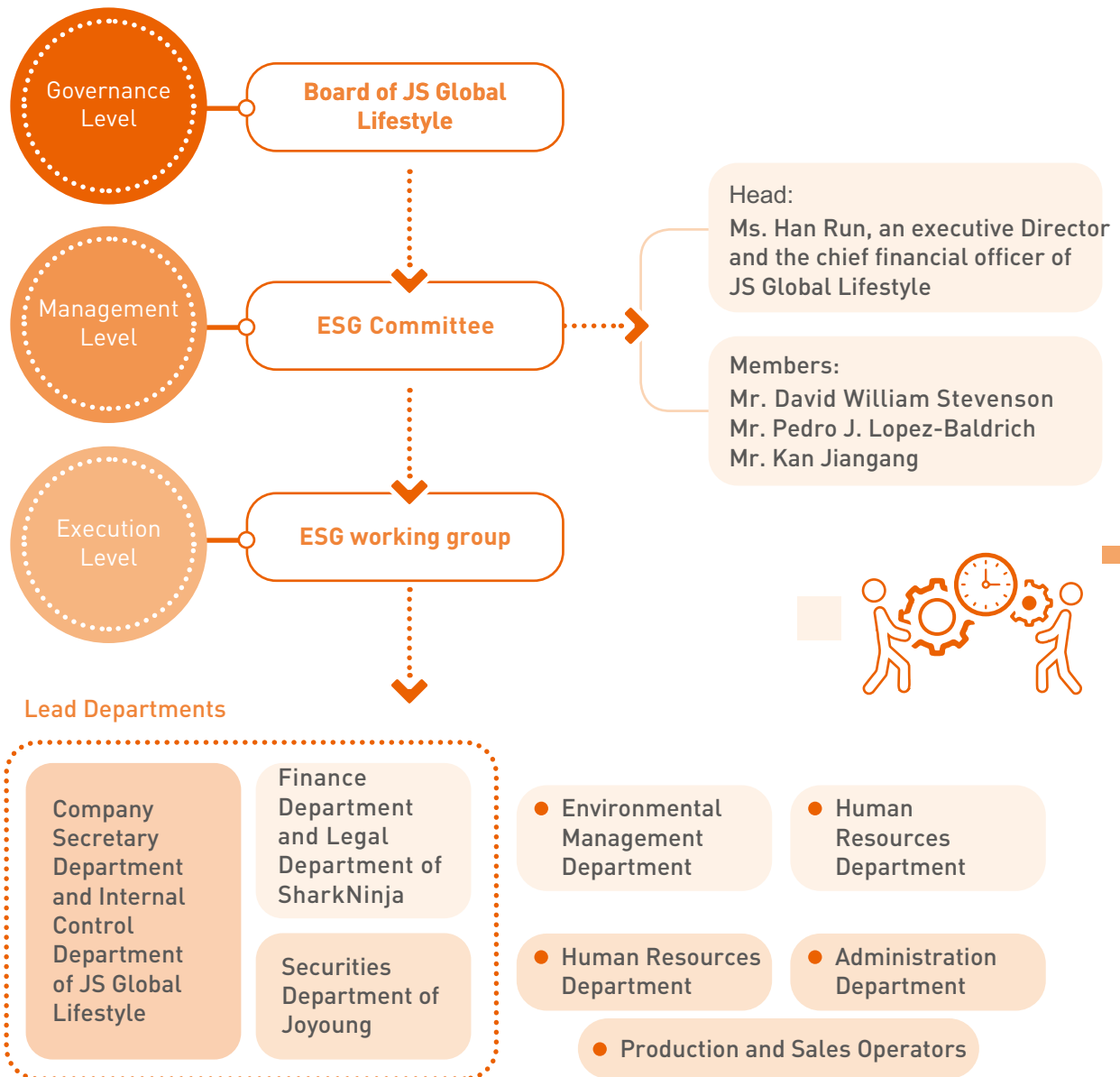


The number and background of the Company’s incumbent independent non-executive directors satisfy the requirements of the Listing Rules. In 2021, the independent non-executive directors of the Company strictly complied with the relevant laws and regulations and the Articles of Association of the Company. They insisted on the independence of independent directors, played their supervisory function, participated in the formation of various major decisions of the Company and the examination of periodic reports and financial reports, played an important role in the standardized operation of the Company and safeguarded the legitimate rights and interests of minority shareholders.

1.2 ESG Management

JS Global Lifestyle has formulated the JS Environmental, Social and Governance Management Measures in accordance with the relevant requirements of international ESG index ratings, the “Environmental, Social, and Governance Reporting Guide” as set out in Appendix 27 of the Listing Rules and the consultation paper on relevant Listing Rules provisions, so as to ensure the implementation of the ESG management system in terms of organization, management objectives, workflow, supervision and assessment. The Company promoted the normalization, standardization and informatization of the ESG governance system and enhanced the ESG management level through systematic thinking under the ESG management structure and overall planning of the ESG development strategy.

The Company has established a comprehensive ESG governance structure with a complete structure, clear hierarchy, clear authority and responsibility and efficient operation, covering the Company and all its branches and subsidiaries, including SharkNinja and Joyoung. The structure clearly defines the job responsibilities of personnel at each level, department and position in order to establish a better ESG management mechanism.



Specific responsibilities at each level of JS Global Lifestyle’s ESG governance structure

Governance Level



Board

- Review and approve the Company’s ESG strategies, goals, plans, policies and other related matters
- Review and approve the results of the Company’s ESG risk and opportunity assessment and response strategies, and oversee the management of related issues
- Review and approve the Company’s ESG materiality determination results
- Review and approve the Company’s annual ESG report

Management Level



ESG Committee

- Make recommendations on ESG strategies, objectives, plans and policies, and monitor and evaluate them
- Identify and evaluate ESG risks for the Company
- Identify and determine the Company’s material ESG issues
- Review the Company’s annual ESG report
- Evaluate and review the Company’s ESG performance and report to the Board

Execution Level



ESG working group

- Formulate the Company’s ESG strategies, objectives, medium and long-term planning and ESG management measures
- Lead the identification and assessment of ESG risks and opportunities of the Company and summarize countermeasures
- Analyze the Company’s material ESG issues
- Prepare the Company’s annual ESG report
- Communicate with stakeholders
- Implement and coordinate the Company’s participation in the annual capital market sustainability rating
- Coordinate with departments and subsidiaries and branches to manage and implement sustainable development issues
- Organize the Company’s sustainable development promotion and training activities

Lead Departments

- Manage all ESG activities within the business of the department/the Company
- Formulate ESG annual work plan and goals
- Collect and organize ESG-related information and data
- Strengthen ESG promotion and training
- Communicate and liaise with stakeholders



1.3 Material Issues

JS Global Lifestyle continuously strengthens its communication with stakeholders to understand their concerns, expectations and demands on ESG issues that affect the Company. JS Global Lifestyle conducts an identification and screening of ESG issues every two years or so through an anonymous questionnaire survey. After analyzing and evaluating the survey data, a matrix of material issues was drawn, and alternative issues were determined and submitted to the Board for consideration and approval. This report made key disclosures on the material issues of JS Global Lifestyle approved by the Board in 2020. In 2021, we have identified and screened the ESG issues related to the Company through suggestions from the Company’s management, domestic and international benchmarking studies, media information analysis and on-site research. We were aware of the level of concern of stakeholders in the issues and determined the ultimate material issues for the year. The next cycle of evaluation of material issues will be conducted in 2022.

Communication with Stakeholders

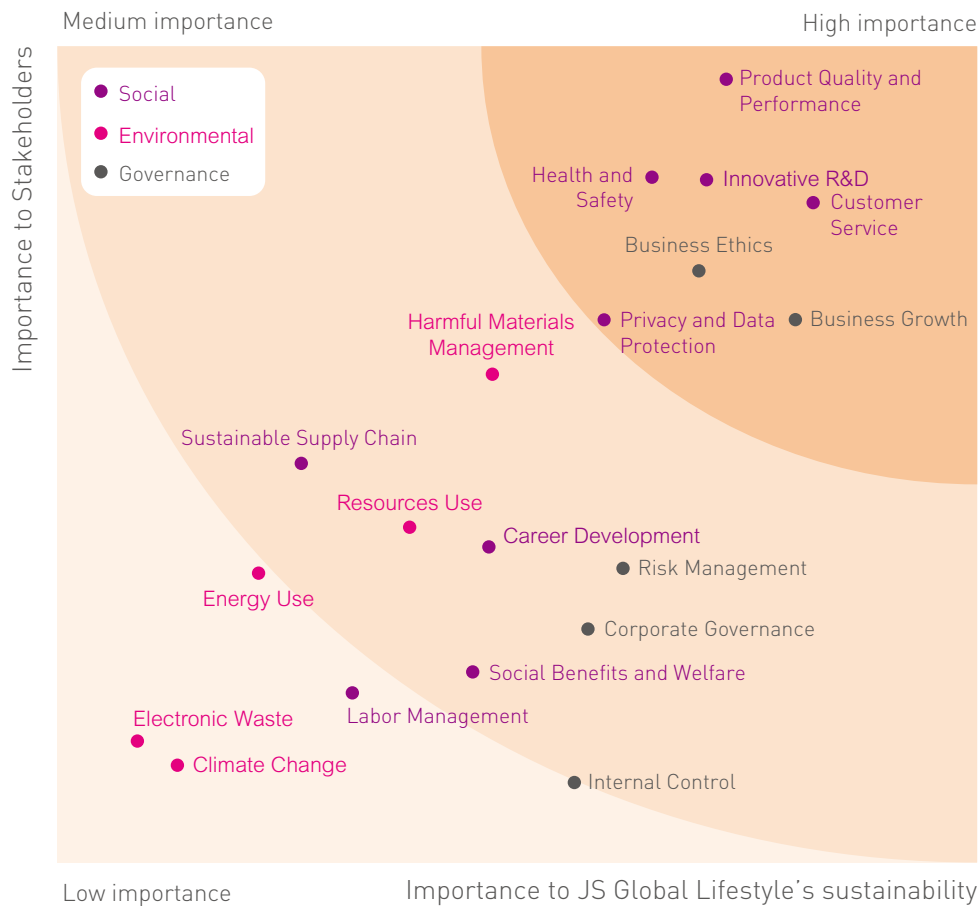
We attach great importance to communication with stakeholders, and communicate with stakeholders through various channels. Based on the characteristics of the Company, industry dynamics and the development of the Company, we have identified a number of stakeholders, actively communicated with stakeholders by holding performance conferences and general meetings, participating in investment seminars and receiving visits from investors, and listened to their suggestions and made response in a timely manner.

Stakeholders	Needs and expectations	Communication and response methods
Regulators	<ul style="list-style-type: none"> Compliance with laws and regulations Tax payment 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 Tax payment 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

Stakeholders	Needs and expectations	Communication and response methods
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
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
Environment	<ul style="list-style-type: none"> • Addressing climate change risks • Enhancing the effectiveness of the use of resources • Emissions management 	<ul style="list-style-type: none"> • Energy efficiency improvement • Resource recycling enhancement • Establishment of a green data centre • Green office

Determination of 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 ESG issues and comprehensively assessed the importance of each issue to its business development and the concern of stakeholders, ranked the importance of reporting issues, determined the focus of disclosure in this report, enhanced the relevance of the Report and responded to the expectations and demands of stakeholders. The materiality of the Company for 2021 has not significantly changed as compared to that of 2020, and the results of assessment are detailed below:



1.4 Compliant Operation

JS Global Lifestyle upholds exceptional ethical standards and insists on compliant operation. The Company participates in market competition in compliance with the law and opposes any form of commercial bribery, money laundering, monopoly and improper competition, and continuously strengthens risk prevention and enhances the Company's risk management capabilities to protect the overall interests of the Company and its shareholders and promote the healthy development of its business operations. During the Reporting Period, JS Global Lifestyle had encountered no case of non-compliance.

Business Ethics

The Company strictly abides by the U.S. Foreign Corrupt Practices Act (FCPA), the 2010 UK Bribery Act (UKBA), the laws and regulations in the People's Republic of China (the "PRC") such as the Anti-monopoly Law of the People's Republic of China, the Anti-unfair Competition Law of the People's Republic of China, the Supervision Law of the People's Republic of China and the Anti-Money Laundering Law of the People's Republic of China as well as all applicable laws and regulations in Hong Kong, Japan, and other jurisdictions where the Company operates globally. We uphold exceptional ethical standards, compete fairly and oppose any form of commercial bribery, money laundering, monopoly, and improper competition.

In accordance with the Company's Reward and Punishment Management System, the Antifraud Investigation Management System, the Management Accountability System, the Customer Emotion 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 Employee Internal Rules and Guidelines, including guidance of best commercial practices, work ethics and prevention mechanism to regulate employee behavior. JS Global Lifestyle signs an Integrity Cooperation Agreement with its partners, requiring them to comply with the Supplier Code of Conduct, the Company's other anti-bribery and anti-corruption policies and relevant regulations, and is committed to establishing a mutually respectful, cooperative and win-win relationship with its business partners.

In accordance with its Complaint and Suggestion Management System, the Company opens up the complaint reporting channel and accepts mails and telephone reports. Insofar as possible and permitted by law, the Company protects the confidentiality of whistleblowers, protects whistleblowers from retaliation, controls the scope of reports and problem clues, strictly prohibits the disclosure of problem clues and their disposal methods, and prohibits anyone from accessing problem clues without approval. In addition, the Company continues to carry out anti-corruption and anti-bribery activities to cultivate a culture of integrity, and actively organizes anti-corruption training and inspections to ensure the effectiveness of anti-corruption and anti-bribery. As of December 31, 2021, the number of Directors attending anti-corruption training accounted for 100% of all the Directors, while the rate for employees was 50%, and the Company had encountered no litigation cases arising from corruption.

The Company paid great attention to the improvement of the business ethics awareness of its employees. All Directors of the Company have attended training on continuing obligations of listed companies and their directors in Hong Kong, covering topics relating to connected transactions, corporate governance, directors' legal liability and continuing obligations of listed companies and their directors. In addition to the above training, the directors have commenced their studies by reading materials prepared by external professional consultants on the same topics.

Risk Prevention and Control

In accordance with the Risk Management System of the Group, the Internal Audit System of the Group and other relevant systems, the Company continues to improve the risk warnings to ensure the effective implementation of the Company's internal control and risk management. The Company has set up an internal audit department to conduct regular evaluations of risk management and the effectiveness of internal control systems, and to make relevant risk management recommendations to the management. During the Reporting Period, we have completed the construction of the system of the target COSO ERM (Enterprise Risk Management) as well as the three defense lines which have been functioning effectively. At the same time, we regularly carry out a comprehensive corporate risk sorting, and set up effective risk control measures, constantly adjust and perfect the various types of risk tips in the process of enterprise operation, continuously enhance the Company's risk prevention awareness, strengthen the Company's risk management capabilities, ensure that the Company carries out business activities within the acceptable risks in a compliant and efficient manner, and protects the interests of the Company and its shareholders as a whole.



02

PRODUCTS AND
SERVICES





PRODUCTS AND SERVICES

SDGs responded under this section



Material ESG issues covered in this section

- Innovative R&D
- Product Quality and Performance
- Health and Safety
- Customer Service
- Privacy and Data Protection

Product quality, safety and providing outstanding customer service are essential to JS Global Lifestyle’s success as a global leader in high-quality, innovative small household appliances. The Company achieves this through developing products that positively impact people’s lives every day in every home around the world. We actively promote the development of the household appliances industry through transformational, innovative, and design-driven smart home products.

2.1 Innovative R&D

We pursue innovative technology and thoroughly research industry developments as part of continuous search for new industry leading products. This process ensures the development of transformational, innovative, and design-driven products that acts as our core competency.

2.1.1 Promotion of New Technology Application

Product innovation is the key to the Company’s growth. We constantly research ways to enhance product performance through technological innovation and are committed to providing consumers with a “five-star” experience with every product we bring to market. We have established a complete and scientific research and development system, using Goldfire (a best decision platform), Computer Aided Engineering (CAE), Product Lifecycle Management (PLM) system and other advanced innovation methods and tool. We have been carrying out innovative research on both user experience and product technologies. At the same time, we follow a strict project planning, establishment and evaluation process in the product development process, and are committed to creating high quality and excellent experience products.

We continue to invest capital and resources to further enhance our technical capabilities. In 2009, the testing laboratory established by the Company was accredited by the China National Accreditation Service for Conformity Assessment (CNAS) as a national-level laboratory, and has become a witness laboratory of UL (one of the world’s leading testing and certification organizations), TUV (German Technical Supervision Association), ITS (one of the world’s leading consumer product testing, inspection and certification companies), SGS (one of the world’s leading product control and technology certification companies), and Korea Testing Laboratory (KTL). At the same time, the Company invested around ten million RMB to build a 1,200-square meter R&D workshop to ensure high efficiency and quality of R&D. In 2021, JS Global Lifestyle invested over US\$219 million in research and product technology enhancement.



Test lab accredited



R&D Workshop

We have built a product development team with different professional and educational backgrounds, each of whom is a “product CEO”, and through cross-functional collaboration with other teams in the Company, we are able to unite the intelligence of the entire company to continuously explore innovative technologies and new potential products with a focus on consumer needs, driving the global product roadmap from product to shelf. At the same time, we provide a series of innovation training courses for our team to continuously refine our product innovation and development capabilities. During the Reporting Period, the number of the SharkNinja R&D team members reached 84, while Joyoung had 631 R&D staff, accounting for 21.65% of the total staff of Joyoung and 15.37% of the staff have master’s degrees or above.

In 2021, SharkNinja further expanded its product portfolio, launched a personal care product line, and developed an innovative hair dryer that has been engineered to deliver ultra-fast drying, no heat damage, and the ability to do styles for all hair types. Joyoung has a total of 26 new products being selected as “Provincial Industrial Products of Zhejiang Province”, with numbers of product categories ranking the first in the industry in China. Joyoung has made a series of “original and innovative” products that consumers can use for a “healthy and quality life”, and even sent high-tech products into space.



^ Shark New hair dryer product launched in 2021

We have also actively built an open and passionate innovation culture, enriching the Company’s innovation atmosphere through various product innovation competitions, innovative creative topics and other activities, granting incentives to the inventors with licensed patent, making innovation a regular part of our R&D. In 2021, we received a series of honors in product innovation and R&D.

Awards Granted to JS Global Lifestyle in 2021 for Innovative R&D

 “Excellent Design Award 2021”³ — Cordless stick cleaner (EVOPOWER SYSTEM ADV) and cordless handy cleaner (EVOPOWER EX) <hr style="border-top: 1px dashed #ccc;"/> <p>Awarding unit: Japan Institute of Design Promotion</p>	 Second Prize in Zhejiang of China Innovation Competition <hr style="border-top: 1px dashed #ccc;"/> <p>Awarding unit: Zhejiang Association for Science and Technology, Science and Technology Department of Zhejiang Province</p>
 Third Prize in Zhejiang of China Innovation Competition <hr style="border-top: 1px dashed #ccc;"/> <p>Awarding unit: Zhejiang Association for Science and Technology, Science and Technology Department of Zhejiang Province</p>	 Corporate Instructor of Innovative Design Methods and Practices <hr style="border-top: 1px dashed #ccc;"/> <p>Awarding unit: School of Mechanical Engineering of Zhejiang University</p>
 Outstanding paper in the annual conference of Journal of Appliance Science & Technology <hr style="border-top: 1px dashed #ccc;"/> <p>Awarding unit: Journal of Appliance Science & Technology</p>	

³ One of the prestigious world-class design awards in Japan

2.1.2 Industry-Academia-Research Cooperation

JS Global Lifestyle continues to partner with famous enterprises such as Alibaba and Baidu, research institutes such as Ningbo Institute of Materials Technology & Engineering, CAS and Zhejiang University ("ZJU"), and associations such as China Household Electric Appliance Research Institute and Zhejiang Electronic Information Products Inspection Research Institute to deepen innovation in industry, academia and research.

ZJU courses entered Joyoung to strengthen college-enterprise cooperation

On June 11, 2021, the Excellence Class of the School of Mechanical Engineering of Zhejiang University brought their class into Hangzhou Joyoung Creative Industrial Park. Guided by Joyoung colleagues, the students and teachers visited Joyoung's product exhibition hall, testing center and intelligent manufacturing plant. The director and engineers of Joyoung Research Institute introduced to the students in detail the history of Joyoung's innovation development, the product design concept and process of "Health and Innovation", as well as the results achieved by the innovation method TRIZ (theory of inventive problem solving) and the innovation software, Goldfire, and shared the application cases of TRIZ and Goldfire in actual work, which deeply implanted the innovation methods and tools into the students' minds.

This class was an attempt of the School of Mechanical Engineering of Zhejiang University to teach innovative classes and an innovation of the way of industry-academia-research of Joyoung. Joyoung has established a regular exchange platform with the School of Mechanical Engineering of Zhejiang University to jointly explore the establishment of a "Social Practice Base of the School of Mechanical Engineering of Zhejiang University" and to seek opportunities for cooperation in industry-academia-research projects.



2.1.3 Protection of Intellectual Property Rights

In addition to innovation to ensure success, we also place great importance on the protection of intellectual property rights. The Company follows relevant laws and regulations, including the Patent Law and Trademark Law in the U.S., the European Union Intellectual Property Law, the United Kingdom Intellectual Property Law, the Copyright Law of the People's Republic of China, the Patent Law of the People's Republic of China, and the Trademark Law of the People's Republic of China to protect our assets.

We have a dedicated intellectual property protection team to apply for and protect our intellectual property rights and have formed systems and compiled documents such as the Intellectual Property Management System, the Patent Management and Incentive System and Regulatory Guidelines to regulate the work of our employees. We have established a comprehensive patent risk management and trademark protection system to protect our core products and conduct regular patent monitoring and analysis as well as competitive patent infringement checks. In face of intellectual property-related litigation and infringement, we set up a task force in a timely manner to file trademark oppositions against malicious registrations and to prepare plans for infringement of patent rights by competitors and actively respond to them to effectively combat infringement. Joyoung also organized patent training based on the needs of technicians in research and development, contract technology, industrial engineering and so forth to raise their awareness of the protection of intellectual property rights and the ability to write and retrieve patents.

IN 2021

- *SharkNinja*
 - Had obtained **336** patent licenses, including **108** invention patents, **208** design patents, and **20** utility model patents;
 - Had registered **46** trademarks.
- *Joyoung*
 - Had applied for **2,068** patents, including **206** invention patents, **1,654** utility model patents, and **208** design patents;
 - Had applied for **256** trademarks;
 - Had obtained **18** software copyrights;
 - As of December 31, 2021, the Company has amassed **10,129** patents, including **543** invention patents, **8,277** utility model patents, and **1,309** design patents.

2.2 Product Quality

JS Global Lifestyle is committed to creating “high quality and good experience” products with a user-oriented approach. We strictly comply with the Consumer Product Safety Act enacted by the Consumer Product Safety Commission in the U.S., the Law on Protection of Consumer Rights and Interests of the People’s Republic of China, the Product Quality Law of the People’s Republic of China and other laws and regulations in places where we operate to strictly control the quality of products throughout their life cycle. In particular, SharkNinja has set up quality control teams in the PRC, the U.K. and the U.S. to test and control the quality of products that aim to pass UL certification.

We have established a documented quality management system in accordance with relevant international standards and customer requirements. In the product development process, based on the Company’s design concept of “safe, reliable, intelligent and green”, we supervise the operation of the project and quality assessment in five stages: product concept, planning, development, verification and post-marketing and set up a technical expert committee to provide support, to ensure that the product development process is under control. Regarding supply and production, we review our suppliers’ performance every year and conduct regular quality audits of our Original Equipment Manufacturers (OEMs). We have strict requirements for quality certification, all products must be approved by the factory’s resident representatives before they can be discharged, and there will be unscheduled quality investigations. In addition, we also utilise modern information systems such as PTS product quality traceability and WMS warehouse management to ensure the quality and safety of source material supply and OEM production through the combination of online and offline channels.



SharkNinja has passed UL certification

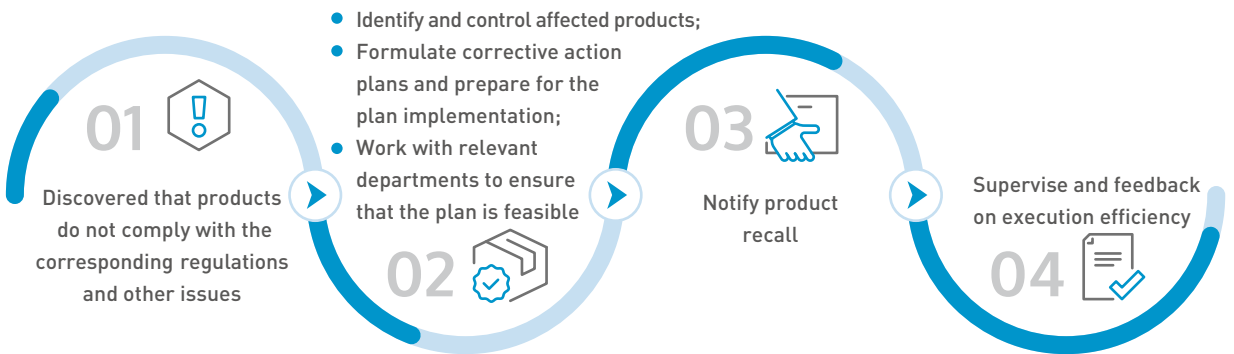
The safety of users when using the Company's products is paramount. The Company takes the following measures to ensure that its products are used safely.

Product safety use measures



We have formulated the Product Recall Management System and set up a recall team and a recall expert group to manage product recalls. We have also established a product recall process that complies with the requirements of the Consumer Product Safety Act (CPSA) and the Consumer Product Safety Commission and take corresponding measures when necessary. During the Reporting Period, the Company had encountered no active or passive recalls due to product quality issues relating to safety and health.

Product Recall Process



Complaints Received by JS Global Lifestyle for Products and Service Quality in 2021



In 2021, we won a series of awards in product quality. SharkNinja’s world-leading products won several awards in 2021, including seven Home Industry Performance Awards issued by NPD Group⁴ in recognition of SharkNinja’s expanding market share in North America. The NPD Group’s awards reflect Ninja’s continuing strong performance, where it has held the No.1 rank in small kitchen appliance brands for the last two years. The Ninja brand was also recognised in the U.S. for the brand’s largest share gain in four categories of small appliances: bakeware and cookware, heating tools, electric food processors and coffee and beverage makers; and received an award for expanding its share in two housewares categories: total housewares and kitchen electrics. Joyoung was awarded the Hangzhou Government Quality Award and the first prize of Excellent Quality Management Team in Hangzhou and the first prize of Excellent QC Achievements in Zhejiang Province.

⁴ One of the largest market research companies in the world

2.3 Responsible Marketing

As a leading company in the small household appliance industry, JS Global Lifestyle insists on a dual-engine “technology + brand”-driven strategy. To maintain continuous growth and achieve high quality development, the Company will seize the great opportunity of the Internet, enhance its international vision and capability, promote responsible marketing, and steadily move into the forefront of small household appliance industry across the globe.

2.3.1 Sales Channels

We actively adapt to the trend of online and offline omni-channel development, actively explored the integration of online and offline development, adopted omni-channel distribution strategy and expanded new channels and new media to bring us closer to consumers, so that consumers could buy our products through numerous channels. For online sales, we continued to seek marketing innovation and breakthroughs in channels such as Tmall, JD.com and Pinduoduo, and actively cooperated with major mainstream live-streaming platforms to build a systematic live-streaming system for the Company, further expanding product awareness and reputation. Meanwhile, we cooperated with retailers to promote our products extensively during special events such as Amazon’s Members’ Day. For offline sales, we actively laid out and expanded new retail channels, promoting the construction of high-end brand stores represented by large shopping malls in China, and establishing a good image of quality small household appliances. We connect with consumers through our diverse and widely distributed marketing channels and aim to build consumer loyalty through providing efficient service and a quality experience to consumers, making us an outstanding brand that is widely recognized by consumers.

2.3.2 Compliant Marketing

We ensure that all marketing activities comply with the U.S. State and Federal laws regulating false advertising and consumer protection, the Advertising Law of the People’s Republic of China, the Anti-unfair Competition Law of the People’s Republic of China and other laws and regulations of the place where we operate with respect to brand promotion. The Company has established a review mechanism for external promotional documents and requires approval from various departments prior to the release of promotional materials and advertisements to prevent misrepresentation or exaggeration of information. In addition, we conduct regular employee training on legal risk awareness and compliant marketing.

SharkNinja provides clear guidance on compliant marketing in its compliance system and reviews all marketing products through a powerful cross-functional asset review system to ensure compliance. Joyoung continuously strengthens the management and evaluation of distributors and signs distribution agreements with distributors, requiring that promotional programs be approved and implemented to ensure regularity. Meanwhile, Joyoung has implemented the Distributor Channel Order Management System and the Distributor Ranking Management System, combined with the evaluation of the performance of distributors, to conduct ranking management and “Red, Yellow and Green” monthly assessment of distributors (under this assessment, distributors performing good are granted green cards for pass, yellow ones for rectification and red ones for punishment) , and provide regular training for distributors.

2.4 Customer Service

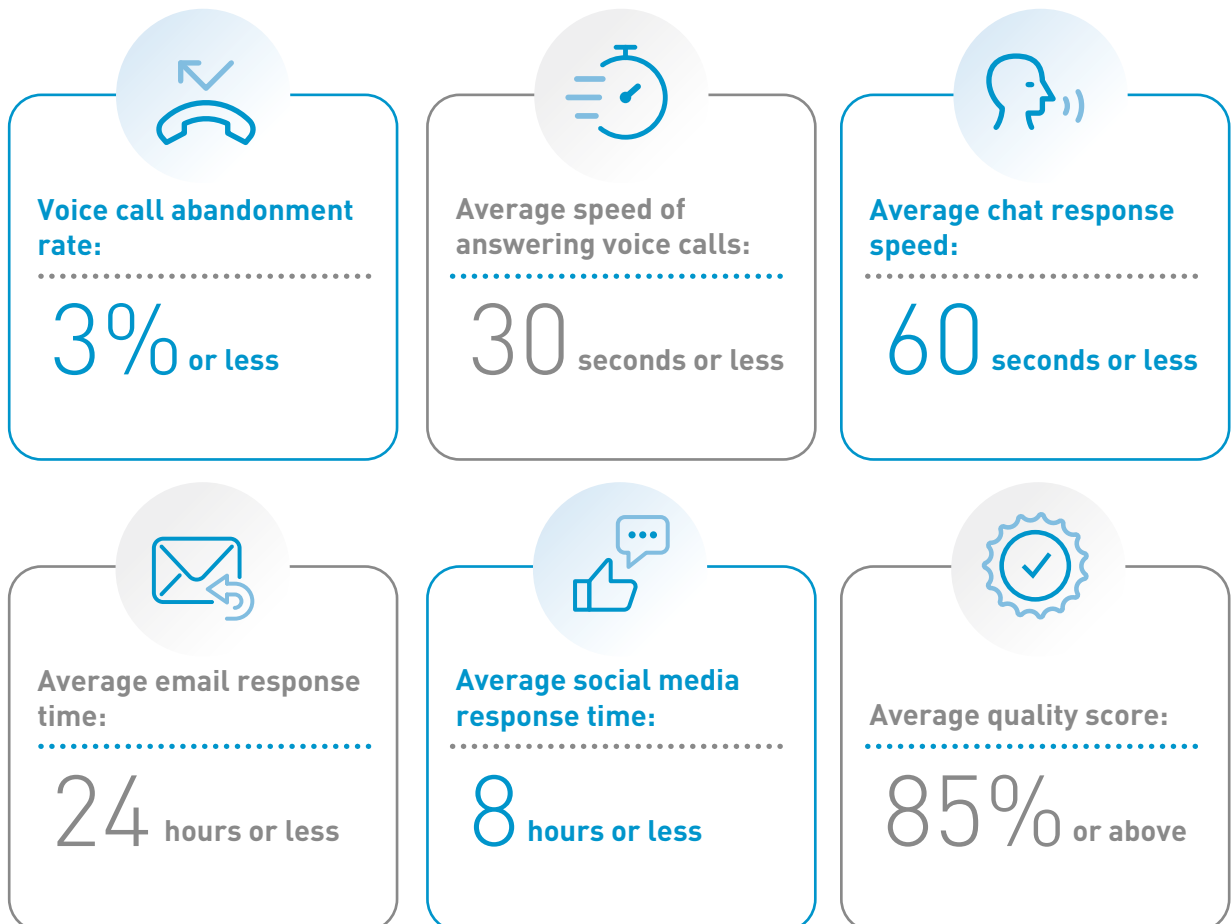
We adhere to the core concept of “honesty, warmth, transparency and happiness”, implement the concept of “sunshine service”, strive to build an omni-channel, excellent experience and high-performance service system, pay full attention to consumer feelings, implement flexible services oriented to user satisfaction, and provide industry-leading value-added services to ensure that we meet the diversified needs of our customers.

2.4.1 Communication with Customers

We provide consumers with a variety of efficient communication channels to ensure we can respond to their needs in a timely manner. SharkNinja provides efficient services to customers through Zendesk, a customer service support platform. Joyoung has built a multi-channel call center service system, including WeChat, official website, customer service hotline and Weibo, to provide pre-sales and post-sales consultation services through a combination of artificial intelligence and manual methods to solve customer problems and to improve on product and service issues collected by category. 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 response to consumers. In addition, we have built 2,000 industry-leading service outlets across China, covering large, medium and small cities and most counties, and has set up several service outlets in core cities in China, in conjunction with JD Express, to provide shipping and repair services to meet the needs of users in different regions. The network construction adopts the model of "distributor after-sales + contracted sales integration" to ensure the stability of the service network and to provide good service, enhancing user satisfaction and creating a good reputation for the brand.

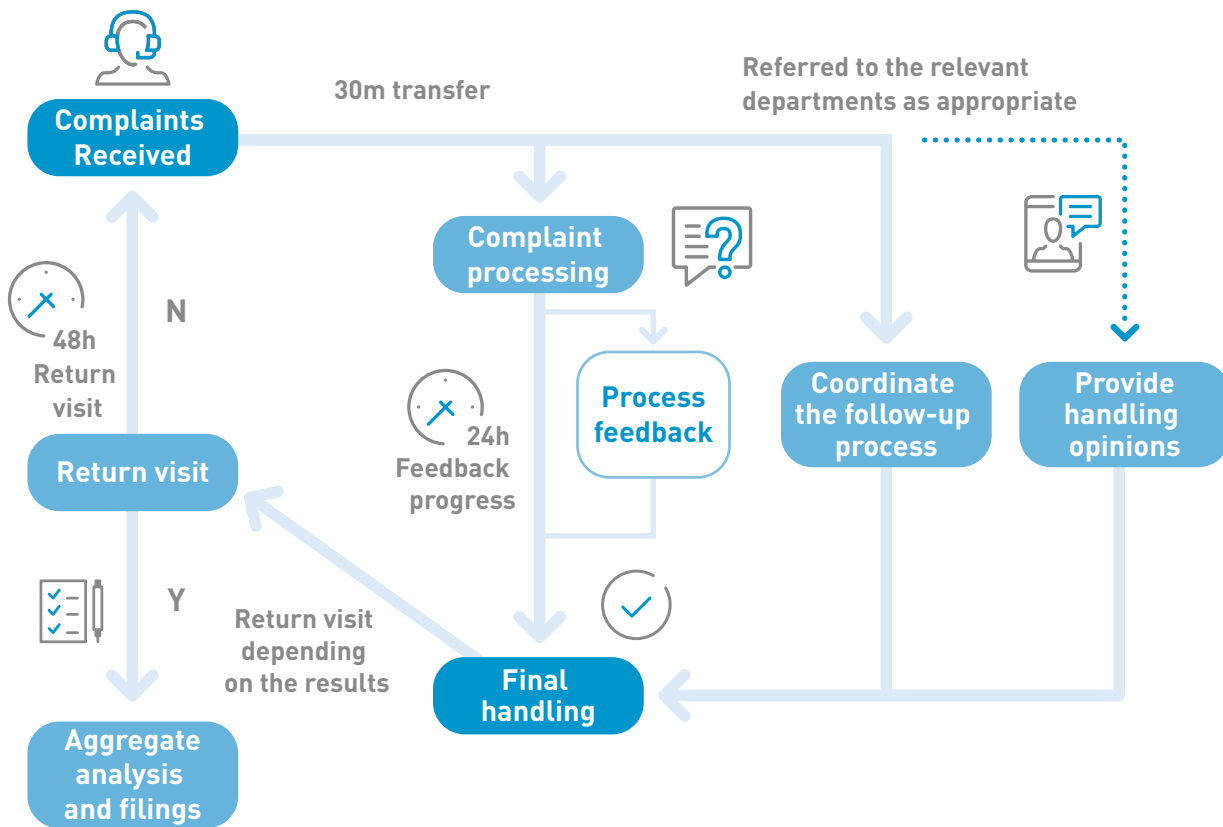
We have established the Customer Complaint Management System to provide relevant guidance documents for our customer service team and to include user complaints about products and services in our handling scope. SharkNinja has refined requirements for customer response speed and service quality for its customer service team to ensure that customer requests are resolved in a timely and effective manner.

SharkNinja Customer Service Requirements



Joyoung requires the customer complaint specialists to feed back the complaints to the relevant departments according to the content of the complaints and working hours, setting 30 minutes for timely receipt, 24 hours for feedback on the progress, tracking and closing the loop according to the feedback results and returning visits, and including special cases into the time management alert, adopting green channels and return and exchange methods to realize a closed time-bound loop.

Joyoung Full Customer Complaint Management Flow



We develop and provide service training courses for our customer service team and enhance our customer service staff’s understanding of products and service quality through direct contact with engineers. In addition, we incorporate service quality into the performance appraisals of our customer service staff and conduct regular audits of service quality and evaluate the results of training to ensure that the expected standards are met.

2.4.2 Customer Satisfaction

Based on the principle of “customer first”, we attach great importance to the opinions and satisfaction of our customers. In 2021, SharkNinja engaged a third-party professional company to conduct post-sales telephone surveys to understand customers’ consumption experience and satisfaction through a series of questions. In the meantime, SharkNinja conducted regular peer-to-peer benchmarking through the “Secret Shopper Program” to compare our service level and quality with other competitors in the market in order to provide the best service to our customers. During the Reporting Period, SharkNinja has recorded customers satisfaction rate of 86%, 83.4% and 87.4% respectively in the North America, the U.K. and Japan markets. Joyoung regularly conducts annual and monthly post-sales satisfaction surveys in five major areas: overall satisfaction, satisfaction with the local 400 service hotline, satisfaction with post-sales store services, satisfaction with service policies and importance of service indicators. In 2021, Joyoung’s monthly manual return visits accumulated 86,000 cases, with a satisfaction rate of 97.5% and an annual survey satisfaction rate of 96.5%. Through the survey and research, Joyoung conducted a comprehensive analysis of its customer service and formulated action plans in the improvement, maintenance and lagging areas to maintain and develop its strengths and continuously improve its weaknesses.

In 2021, Joyoung’s service capability was fully recognized by passing the comprehensive evaluation of the national standard “Evaluation System for After-sales Service of Goods” GB/T 27922-2011 to achieve the five-star level and obtain the after-sales service certification.



▲ Joyoung received the five-star after-sales service certification

2.4.3 Customer Privacy Protection

We attach great importance to the protection of customer privacy and company information. In order to prevent illegal intrusion, hacking and leakage of the Company’s business information, JS Global Lifestyle has strengthened the construction of information security technology and security operation system, and formulated 24 information security systems, including the Personal Information Protection Management System, the Host Security Management Specification, the Information System Online Management System, the Information System User Access Management System and the System Daily Management System, etc. to clarify the compliant management requirements.

Information Security System Construction

JS Global Lifestyle has established a comprehensive information security management system and carries out information security vulnerability management projects annually, including routine patching and vulnerability scanning, etc. In 2021, the Company engaged a third-party professional firm to conduct a comprehensive information security assessment, including 25 information security tests, and formulated a long-term strategy for information security management based on the assessment results.



Information Security Assessment Report

In 2021, Joyoung evaluated its information security management activities in 14 aspects, including information security policy and strategy, information security organization and human resources security etc., in accordance with the ISO 27001 information security management system standard, and passed the ISO/IEC 27001:2013 information security management system certification.



ISO 27001 Information Security Management System Certification of Joyoung

In addition, JS Global Lifestyle requires employees to complete regular training on network security awareness during their induction and subsequent work processes, including training on “what is a corporate email intrusion” and “how to report phishing”. SharkNinja has a cyber security insurance policy that seeks to hedge against its possible losses from cyber risks and encourages all employees to report any suspected breaches of security or any suspicious information by mail or phone. Joyoung incorporates system security and stability into the performance appraisal of relevant employees to ensure that system security is consistently implemented, and regularly collects information from employees on the operational status of the system, specifies the causes of incidents and proposes improvement measures for abnormal situations.

Personal Information Protection

Based on the establishment of a sound information security management system, JS Global Lifestyle has taken a series of measures to further protect the personal information security of its employees and customers. In 2021, SharkNinja conducted assessments of the requirements of laws and regulations related to employee and consumer information privacy in the locations where it operates. Based on the results of these assessments, SharkNinja revised the privacy-related terms of internal and external agreements to guide the workflow and data protection measures to ensure strict compliance with the relevant regulations. Joyoung updated the consumer privacy agreement, clearly listing the items that may have access to user information, and comprehensively checking the third-party Software Develop Kits (SDKs) referenced in the application software to remove the operations that have access to user information and providing a logout function for users to completely delete their associated data. Joyoung plans to study and gradually implement encryption solutions for consumers’ private data starting in 2022. During the Reporting Period, JS Global Lifestyle did not encounter any information leakage.

2.5 Industry Leadership

JS Global Lifestyle actively engages in external technical exchanges and discussions, integrating resources from universities, society, and enterprises to improve scientific research, promote technological progress and create a win-win cooperation and innovation ecosystem. We have actively participated in the development of various standards and related activities and JS Global Lifestyle engaged or participated in the formulation of 33 standards from 2018 to 2021, including 14 national standards, 4 industry standards and 15 group standards.

Table: Example List of standards developed/ revised with JS Global Lifestyle

Standard Name	Standard Number	Standard Properties	Participation
Public instruction set of IoT household electrical appliance	GB/T 36428-2018	National Standards	Development
Household and similar use electrical floor washer	T/CHEAA 0018-2021	Group Standards	Development
Technical specification for cordless foldable hand-held dry vacuum cleaners	T/CAS 383-2019	Group Standards	Development
Household and similar use electrical steam mop	QB/T 5426-2019	Industry Standards	Development
Performance requirements and measuring methods for electric kettles	GB/T 22089-2021	National Standards	Revision
Brand evaluation — Guidelines for consumer perception measuring	GB/T 39071-2020	National Standard	Development
Food blenders	GB/T 15854-2021	National Standards	Revision
Electric rice cooker	GB/T 40978-2021	National Standards	Development
Carbon steel nonstick cookware	GB/T 40354-2021	National Standards	Development
Technical requirements for smart household appliances equipped with IoT operating systems—soymilk machine	T/CAS 520-2021	Group Standards	Development
Technical requirements for smart household appliances equipped with IoT operating systems—wall breaker	T/CAS 522-2021	Group Standards	Development

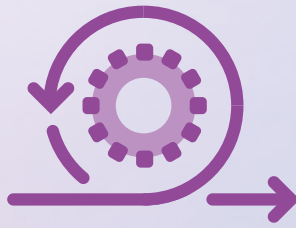
In addition, JS Global Lifestyle actively participated in industry conferences and events, playing a pioneering role in new technologies and standards in the industry and promoting common progress.

SharkNinja participated in the launch of “Household and Similar Use Electrical Floor Washer”

On October 20, 2021, China Household Electrical Appliances Association Group Standard T/CHEAA 0018-2021 “Household and Similar Use Electrical Floor Washer” was officially released in Beijing. This standard aims to meet the market and innovation needs, focuses on new technologies, new industries, new business modes and new models, clarifies the performance indicators of the floor washers, breaks the current industry status quo of no standard for the floor washers industry, and provides a basis for enterprise product research and development and quality control, which is of great significance to the accelerated popularity of the floor washers.

As the standard drafting enterprise and one of the first batch of enterprises to adopt the standard, SharkNinja participated in the conference, and under the joint witness of the participants, jointly committed to adopting the standard with 11 enterprises including Tineco and Midea.





03

**SUPPLY CHAIN
MANAGEMENT**



SUPPLY CHAIN MANAGEMENT

SDGs responded under this section



Material ESG issues covered in this section

- Sustainable Supply Chain
- Product Quality and Performance

JS Global Lifestyle is highly concerned about the stability of its supply chain. The Company continues to improve its supply chain management system by strengthening its supplier relationships and communication of the Company's requirements and ESG values.

3.1 Supplier Management

JS Global Lifestyle continues to optimize supplier management by improving the Company's supply chain environment and social risk management capabilities. The Company has developed systems such as the Tender Procurement Management System, the Procurement Pricing Management System and the Inventory Management System to regulate supplier management and promote a mutually agreeable and sustainable management approach for both parties.

Entry of Suppliers

JS Global Lifestyle adheres to the principle of fairness and impartiality when selecting suppliers. In this connection, the selection process involves careful review of relevant qualifications, industry-specific information, and management system certifications. The Company also evaluates the reliability of prospective suppliers through conducting on-site visits. SharkNinja requires all potential suppliers to undergo Business Social Compliance Initiative (BSCI) or SMETA (Sedex Members Ethical Trade Audit) audits, and also requires suppliers to be ISO 14000 certified for their environmental management systems or to provide an environmental assessment certificate from the local government prior to commencing cooperation. SharkNinja signs Supplier Code of Conduct with all tier 1 suppliers⁵ to ensure that they meet the expectations for suppliers in the areas of business ethics, employee management, health and safety, environmental management and management systems. Joyoung requires key suppliers, such as machine suppliers, to establish corresponding quality management systems in accordance with ISO 9001, TS 16949 or 3C certification, set up sound quality teams and have laboratory resources and capabilities to meet requirements, and has initiated BSCI certification for some core suppliers to verify their compliance with local laws and our expectations. In addition, JS Global Lifestyle has established a bidding system to ensure the fair competition among different suppliers and specifies in contracts a constraint condition that sub-contracting is forbidden.

⁵ Refers to the suppliers who directly provide the Company with goods, materials or services.

Table: Supplier Data of JS Global Lifestyle in 2021

Disclosure Indicators	2021 Data
Number of tier 1 suppliers	219
Number of key suppliers ⁶	137
Number of key tier 1 suppliers	41
Number of key non-tier 1 suppliers	96
Number of key suppliers in the U.S.	5
Number of key suppliers in Europe	5
Number of key suppliers in Mainland China	104
Number of key suppliers in Hong Kong, Macau and Taiwan of China	4
Number of other key suppliers in Asia	19

Supplier Assessment

JS Global Lifestyle conducts regular assessment and management of suppliers, and urges suppliers to formulate timely rectification plans for problems identified during the monitoring process, while taking necessary follow-up actions to ensure that suppliers meet our needs.

SharkNinja conducts monthly reviews of its suppliers' quality management performance via the Monthly Supplier Scorecard to progressively drive supplier performance improvement. SharkNinja also conducts annual internal audits on its tier 1 suppliers to verify that they meet our expectations. These audits are based on SharkNinja's own criteria and cover compliance with local laws and regulations concerning health and safety, environmental and social compliance. Where non-compliance is identified during these audits, SharkNinja implements corrective actions that are appropriate to the magnitude of the offence. Further evaluation and monitoring is carried out as required, until the issue is resolved.

Joyoung conducts annual and monthly inspections of suppliers and applies a positive and negative incentive system. Outstanding suppliers will be given incentives, while suppliers that fail to pass the assessment may be disqualified from annual awards, tenders for a certain period of time, or Joyoung may have grounds to terminate their relationship with them. The system provides motivation for suppliers with a strong desire to improve, and ensures that suppliers with a stable track record are able to create excellence. In 2021, Joyoung conducted auditing of 22 suppliers and kept constant concern about their ESG related works.

⁶ Key suppliers refer to those whose products, materials and service have relatively material impact on the Company, including large raw materials suppliers, key components suppliers and irreplaceable suppliers.

Joyoung Supplier Incentives

Incentives	Content
 <p>Warning and Punishment Incentives</p>	<ul style="list-style-type: none"> ● First red card in suppliers' monthly evaluation, requesting 15% increase in acceptance ratio ● Two consecutive red cards in suppliers' monthly evaluation, requesting 25% increase in acceptance ratio and reducing orders by $\geq 25\%$
 <p>Elimination Incentives</p>	<ul style="list-style-type: none"> ● Three consecutive red cards or more in suppliers' monthly evaluation, requesting suspension for rectification ● Suppliers who fail to meet the requirements after 2 months of rectification will be included in the elimination
 <p>Order Incentives</p>	<ul style="list-style-type: none"> ● Adjustment in supply ratio for suppliers with good overall performance
 <p>Payment Method Incentives</p>	<ul style="list-style-type: none"> ● Payment terms for strategic suppliers and suppliers awarded with Gold Innovator of the Year from Joyoung will be shortened
 <p>Goodwill Incentives</p>	<ul style="list-style-type: none"> ● Launch annual supplier evaluation for awarding honorable mentions to outstanding supplier partners
 <p>Incentives for co-development of new products and technologies</p>	<ul style="list-style-type: none"> ● Prioritize suppliers with innovative development capabilities and excellent collaborative skills to participate in the product research and development process
 <p>Information Incentives</p>	<ul style="list-style-type: none"> ● Share information on domestic and international market and technology development with suppliers
 <p>Performance Improvement Support</p>	<ul style="list-style-type: none"> ● Provide technical and quality consultation and improvement suggestions to suppliers
 <p>Personal Improvement Reputation Incentives</p>	<ul style="list-style-type: none"> ● Honorable mentions and material incentives for team members who received the Outstanding Team Award in the Joyoung Supplier Improvement Project Competition

Joyoung applies its own quality scoring system to its suppliers, classifying them into four categories: less than three stars, three stars, four stars and five stars. Joyoung requires suppliers with less than three stars to improve or terminates its relationship with those who fail to meet the required standards, while higher scoring suppliers are offered certain preferential policies. At the same time, Joyoung classifies suppliers into strategic, excellent and general supplier partners based on the two dimensions of “supplier capability” and “supplier willingness”, and continuously explores and screens strategic suppliers for long-term and in-depth cooperation. In 2021, Joyoung continued to establish long-term stable and win-win partnerships with suppliers, and had 107 suppliers that cooperated for more than 5 years, accounting for 32% of Joyoung’s total suppliers, and 16 strategic suppliers.

3.2 Communication with Supplier

JS Global Lifestyle regards suppliers as an important resource and has established a long-term, routine communication mechanism and an empowerment strategy with suppliers, provided comprehensive guidance to suppliers through joint development, lean academy, quality management and laboratory management to provide protection for mutual cooperation. It is committed to establishing a strategic partnership of mutual trust, mutual success, benefit sharing and mutual crisis assistance to realize mutual benefit.

We have established interconnected data interaction and information transmission with suppliers through our system platform, and gradually accomplished the construction of a real-time data network in the direction of paper-free and system-structured management. Meanwhile, we promote the establishment of platform-based management for all suppliers to achieve rapid sharing of quality management data and closed-loop management of business processes. In addition, we organize annual supplier meetings to review the results of cooperation in the past year, exchange company development plans and key strategies, and provide suppliers with training on quality control, order management, logistics system operation, etc. We are committed to enhancing the capabilities of both parties and making progress together through interaction with suppliers. SharkNinja conducted at least one training for its tier 1 suppliers every year, while Joyoung organized 41 supplier training covering 146 suppliers in 2021.



In terms of quality, we ensure consistent quality performance through the refined management of suppliers' quality system with strict requirements on training, assessment, induction certification and test upgrade. At the same time, we formulate long-term development plans for core suppliers and reach consensus with them on development strategies, resource investment and technical route following. Joyoung encourages suppliers to run monthly quality activities every year. The activities include quality awareness campaigns, quality culture construction, quality training, knowledge competition and skills competition, etc. Suppliers are required to report on their progress and provide summaries of their activities according to the plan. To ensure product quality and promote suppliers' continuous improvement, Joyoung also arranges resident representatives and quality engineers to help manage suppliers according to the cooperation between the company and suppliers as well as their quality level.

Regarding innovative technology, we enhance suppliers' enthusiasm for innovation through a comprehensive system and help suppliers to improve their technology and achieve cost reduction and efficiency. SharkNinja has worked with suppliers to drive business improvements. For example, over the past two years, SharkNinja has helped suppliers reduce their injection molding cycle times, thereby reducing costs by approximately US\$500,000, while also improving quality control and significantly reducing defect rates. Joyoung has established its Supplier Innovation Management System to protect the innovation achievements of suppliers, so that the innovation work of every supplier will be rewarded in practice and the competitiveness of products will be continuously improved to achieve a win-win situation for both parties.

We are also active in providing technical and financial support to our suppliers when they encounter difficulties. When suppliers face serious cash flow problems or excess inventory, we will arrange advance payment or provide other financial support to suppliers. When suppliers face material shortages, we actively optimize our supply channels to ensure a stable supply of materials from our suppliers. In addition, Joyoung encourages suppliers to purchase property insurance and other insurance policies to enhance the risk resistance of suppliers and the supply chain as a whole.

3.3 Sustainable Supply Chain

JS Global Lifestyle takes responsibility for the environmental and social impact of its supply chain. We assess and review suppliers' ethical and social compliance, quality management, and environmental risks, and require suppliers to abide by the Supplier Code of Conduct formulated by JS Global Lifestyle and strictly comply with applicable national and local laws and regulations to ensure a reliable and responsible supply chain. Our Supplier Code of Conduct sets forth requirements for suppliers in the following areas:

- Anti-bribery and corruption;
- Intellectual property protection;
- Adhere to standards of fair business, advertising and competition;
- Data privacy and security;
- Reporting Policy;
- Responsible sourcing of minerals;
- Procurement from sustainable sources;
- Health and safety;
- Against modern slavery;
- Management systems;
- Manage environmental impacts responsibly, etc.

During the Reporting Period, we did not identify any violations of our Supplier Code of Conduct.

By advocating the establishment of a social responsibility management system for suppliers, SharkNinja calls on all suppliers to comply with laws on safe working conditions, freedom of association, collective bargaining, prohibition of forced and child labor, protection of legal wages, working hours, and provision of employment security, so as to improve efficiency and reduce turnover rates. SharkNinja prohibits child labor, forced labor, harassment, life-threatening safety and environmental issues, and will terminate agreements with relevant suppliers if discovered. During the Reporting Period, SharkNinja conducted internal auditing on the equal working conditions of all the tier 1 suppliers, and no forced labor or child labor was found at any of tier 1 suppliers' factories. SharkNinja also encourages all the tier 1 suppliers to engage third-party auditors to conduct social responsibility audits according to the BSCI or SMETA standards to assess their performance in labor, health and safety, environment and business ethics, to identify social responsibility risk from the professional perspective and to make improvement measures in advance, thus to ensure a responsible operation of SharkNinja. In 2021, an aggregate of 23 tier 1 suppliers of SharkNinja received audits conducted under the BSCI or SMETA standards.



04

**Environmental
Conservation and
Management**



Environmental Conservation and Management

SDGs responded under this section



Material ESG issues covered in this section

- Harmful materials management
- Resources use
- Energy use
- Climate change
- Electronic waste

JS Global Lifestyle understands that as a business we have an impact on the environment. We want to act as a responsible corporate citizen, through strengthening our environmental management system, reducing carbon emissions, promoting energy conservation in our products and operations and advocating green office to support a more sustainable future.

4.1 Environmental Management

In 2021, JS Global Lifestyle published its Environmental Management Policy, which outlines the Company’s responsibilities and management approach for protecting and conserving the earth’s natural resources. The policy also outlines the Company’s commitment to comply with relevant environmental laws, including international environmental treaties such as the Montreal Protocol, the laws concerning the management of hazardous substances (for instance, REACH and RoHS in the European Union (the “EU”)), the Waste Electrical and Electronic Equipment (WEEE) Directive of the EU, 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 Environmental Pollution by Solid Wastes and other local laws and regulations. JS Global Lifestyle also intensified the environmental management with the support of a series of internal environmental management rules. In 2021, JS Global Lifestyle did not report any complaints or administrative enforcement for issues related to environmental protection.

For the environmental management system, in 2021, SharkNinja’s the U.K. warehousing and logistics partner was granted three BREEAM⁷ certificates, which recognizes the high environmental performance of these newly built warehousing units. Based in Northampton, the U.K., these three new facilities obtained BREEAM Very Good rating. SharkNinja’s headquarters in Massachusetts, U.S., has also obtained the Silver LEED⁸ Certificate for the high-standard sustainability and energy conservation design. In addition, Joyoung applies for and obtains the ISO 14001:2015 Environmental Management System Certificate.

⁷ BREEAM (Building Research Establishment Environmental Assessment Method), a leading rating scheme on sustainability of building environment.

⁸ LEED (Leadership in Energy and Environmental Design) is a widely used global green building certification.



^ LEED Certificate for Headquarters of SharkNinja



^ Joyoung ISO 14001 certificate



Besides, driven by employees, SharkNinja’s environmental affinity group was established to focus on reducing our environmental impacts in offices, product design and bring awareness to the business on environmental matters. The group also promotes environmental awareness as well as health and wellbeing for employees through various activities like the Eco-Challenge in October 2021.

In order to improve the environment management level of JS Global Lifestyle, we actively increased investment in environmental protection. As of the end of the Reporting Period, the total investment of JS Global Lifestyle in environmental protection was RMB2.156 million, of which RMB1.556 million was invested in energy conservation and emission reduction.

4.2 Environmental Goals

Upholding the idea of “sustainable development for shared benefits”, JS Global Lifestyle sets environmental goals to strengthen energy and emission management, continue to meet its compliance obligations and improve the Company’s resilience to climate risk. The Company has set specific environmental indicators, records accurate quantitative data, established its standard calculation approaches and review bases, specified the frequency of collection, developed corresponding monitoring plans, and assigned the implementation work to specific departments. The Company focuses its efforts on its five major environmental impacts: greenhouse gas emissions, energy consumption, materials consumption, water consumption and waste production, in an effort to reduce its impact on the environment. For each of these aspects, we have set objectives and action plans to achieve them, and tracked the implementation of plans and the achievement of goals.

JS Global Lifestyle Environmental Management Goals

Goals of greenhouse gas emissions

Short-term goal

- Adopt appropriate measures to reduce greenhouse gas emissions

Mid- and long-term goal

- Reduce the intensity of carbon emissions

Goals of materials consumption (paper packaging materials and plastic packaging materials)

Short-term goals

- Improve the use of recyclable materials in packaging materials
- Achieve 100% plastic-free packaging of mainstream products in the U.K. market by 2022

Mid- and long-term goal

- Increase the proportion of recyclable plastic materials

Waste generation goals

Short-term goals

- Reduce the production of hazardous wastes



Energy consumption goals

Short-term goals

- Reduce energy consumption
- Increase the proportion of renewable energy
- Improve the energy efficiency of products by upgrading product designs

Short and mid-term goal

- Reduce the energy intensity

Water consumption goals

Short-term goals

- Improve the water efficiency and reduce water consumption

Short and mid-term goal

- Reduce the intensity of water resources
- Conserve water resources

4.3 Use of Resources

JS Global Lifestyle promotes the circular use and recycling of resources throughout its operations, with a specific focus on energy, water, paper, packaging, and e-waste, and continuously promote the recycling and reuse of resources.

Committed to providing green products, JS Global Lifestyle adopts environment-friendly packaging materials that are fully recyclable. In 2021, JS Global Lifestyle promoted multiple packaging improvement measures. For instance, SharkNinja continues to make progress with its sustainable packaging initiative. SharkNinja Europe aims to achieve 100% plastic free packaging on U.K. and EU mainline⁹ products by 2022, and transitioning to fully recyclable packaging globally in the future. Approximately 75% of the U.K. Shark product lines have replaced plastic low density polyethylene (LDPE) bags with a paper alternative. Other changes include replacing plastic tape with a recyclable paper version, replacing styrofoam with paper pulp trays and cardboard inserts, and reducing cardboard boxes from two per product to one on a select range of online exclusives, to promote sustainable product packaging. Not just content with reducing packaging, SharkNinja UK is committed to planting a new tree for every tree that is cut down to produce its cardboard boxes. Since 2018, SharkNinja UK has sponsored the planting of 17,324 trees across the U.K., and 159,250 trees in Peru. SharkNinja's tree sponsorship efforts provide vital support to critically vulnerable habitats and wildlife.

In addition, Joyoung replaced the disposable stretch film for fixing products on the trays with reusable cloth bands. This improvement realizes the recycling and reuse of packaging materials, which can reduce packaging costs by RMB300,000 every year, and meanwhile eliminate the environmental pollution hazards may otherwise be caused by disposable stretch film.

⁹ Mainline products exclude parts and accessories.

Table: JS Global Lifestyle's Use of Resources in 2021

	Category	Unit	Data for 2020	Data for 2021
Water consumption	Water consumption ¹⁰	Tonnes	207,547	219,616.00
	Water consumption against revenue	Tonnes/US dollars in millions	49.47	42.64
Consumption of packaging materials	Paper packaging materials	Tonnes	104,452	77,616.54
	Plastic packaging materials	Tonnes	8,997	2,264.58
	Total consumption of packaging materials	Tonnes	113,449	79,881.11
	Consumption of packaging materials against revenue	Tonnes/US dollars in millions	27.04	15.51

4.4 Emissions Management

JS Global Lifestyle strictly controls waste emissions and discharges waste gas, wastewater, and solid wastes in accordance with local and national standards and keeps tracking to ensure the compliance. Our production activities produce relatively modest amounts of pollutants; most emissions are office and domestic wastes produced in the business operation.

Worldwide generation of e-waste has increased significantly in recent years and if mismanaged can contribute to pollution and the depletion of valuable natural resources. In response, JS Global Lifestyle promotes effective resource conservation measures by recycling and reusing the valuable resources found in its products, such as metal, plastics, rubber and precious metal and other recycled resources with high recovery value in the products of JS Global Lifestyle.

SharkNinja promotes responsible environmental management in accordance with local laws, regulations and related requirements. SharkNinja is registered with the relevant compliance schemes in the EU and the U.K. Membership with these organisations ensures the Company remains legally compliant and takes responsibility for the management of its waste impact.

¹⁰ Water consumed by Joyoung and SharkNinja are mainly from municipal water. The current data of water consumption only include the data of Joyoung and data of SharkNinja in China (Shenzhen and Suzhou), London, Leeds, Japan, Boston, Alabama, Arkansas and California as some data of SharkNinja is not available.

SharkNinja provides spare parts and repair services, which enhances the longevity of our 5-star products and avoids wasting resources. To conserve resources by stimulating second hand market places, SharkNinja has established product refurbishment partnerships in North America and the U.K. so that product returns can be refurbished for secondhand sale. Where refurbishment is not possible, SharkNinja ensures its e-waste is responsibly disposed of in accordance with local recycling laws.

In North America, SharkNinja has also partnered with Call2Recycle to provide battery recycling points for consumers, including one at its headquarters in Boston, Massachusetts, and also provide battery recycling bins in our offices in the U.K. and North America. Besides, SharkNinja supports the "Blue Box" Program to meet its stewardship obligations in Canada. In addition to funding recycling infrastructure in many countries and regions, as a seller on the Canadian, U.K. and EU market, SharkNinja also participates in local extended producer responsibility schemes, which provide a financial mechanism for improving local e-waste and packaging recycling to meet national targets.

In 2021, SharkNinja refurbished a total of 818,899 products and generated income of USD13,832,973 from waste recycling and reduction of waste production.

Table: SharkNinja's income from waste recycling or reduction of waste production by region for 2021

Country	Economic benefits	Measures
The U.K.	USD435,343	Refurbished 5,293 products and resold 2,977 refurbished units on Ebay in 2021.
Canada	USD824,582.97	Sold 61,372 returned units to refurbishment partners
The U.S.	USD12,677,397.25	Sold 752,234 returned units to refurbishment partners

In 2021, Joyoung further strengthened the environmental management, reduced the consumption and the waste emission. Joyoung recycled 150,000 old household appliances through its "trade-in" initiative and has agreements with professional waste disposal companies for the responsible treatment and recycling of hazardous and household appliance waste.

Table: JS Global Lifestyle's Emissions in 2021

	Category	Unit	2020 data	2021 data
Waste emission	Total hazardous wastes ¹¹	Tonnes	4.3	2.33
	Chemical production	Tonnes		0.86
	Battery production	Tonnes		1.47
	Hazardous wastes against revenue	Kg/US dollars in millions	0.18	0.45
	Total non-hazardous wastes ¹²	Tonnes	1,378.17	2,054.64
	Cardboard production	Tonnes		280.74
	Plastic production	Tonnes		514.98
	Metal production	Tonnes		36.17
	Food waste production	Tonnes		112.50
	General domestic waste production	Tonnes		283.95
	Other electronic waste production	Tonnes		826.30
	Non-hazardous waste against revenue	Kg/US dollars in millions	328.46	398.91
Waste recycle	Recycle of electronic waste	Pieces	/	968,899
Waste water discharge	Volume of waste water discharge ¹³	Tonnes	/	176,927.75
	Volume of waste water discharge against revenue	Tonnes/US dollars in millions	/	34.35

4.5 Combat Climate Change

JS Global Lifestyle earnestly fulfils its responsibility to operate sustainably, closely monitors national policies for coping with climate change, takes the initiative to review its own climate change risks, identifies transition risks and physical risks and has developed targeted measures to mitigate climate change risk and minimize the impact of climate change risk. Meanwhile, JS Global Lifestyle implements multiple measures for energy conservation and emission reduction.

¹¹ The current data of hazardous wastes only include the data of Joyoung and some data of SharkNinja, in which chemical production only includes the data of London office and battery production only includes Leeds, Boston, London and Alabama as some data of SharkNinja is not available.

¹² The current data of non-hazardous wastes only include the data of Joyoung and the data of SharkNinja excluding that of the offices in Japan, China, Germany and France.

¹³ Volume of waste water discharge is calculated based on the combination of actual amount recorded and the estimated methods. For those cannot accurately recorded, we assume the volume of waste water discharge equals to 80% of the water consumption.

Table: Identification of climate change risks

Climate change risk	TCFD¹⁴ recommendation	Risk description	Financial impact
Transition risk Policy and law	Increased pricing of greenhouse gas emissions	China, the U.S., Canada and some European countries where JS Global Lifestyle operates business have already developed carbon pricing related mechanism, such as the Emissions Trading System (ETS), or relevant regulations limiting emission of carbon dioxide and other greenhouse gases, which brings in the risk of increased pricing of greenhouse gas emission.	Increased operating cost; Reduced demand for products and services; Write-offs and early retirement of existing assets; Preliminary R&D expenditure and venture capital for new and alternative technologies;
	Enhanced emissions-reporting obligations	As a listed company on the Hong Kong Stock Exchange, JS Global Lifestyle is required to disclose the information relating to greenhouse gas emission and actions taken to reduce such emission in its ESG report.	The front-end costs to adopt/deploy new practices and processes; Declining demand for goods and services;

¹⁴ TCFD: Task Force on Climate-Related Financial Disclosures

Climate change risk	TCFD ¹⁴ recommendation	Risk description	Financial impact
Technology	Substitution of existing products and services with lower emissions options	To meet the demands of governments and consumers on low-emission products, it is inevitable that low-emission options will be available in the industry.	Declining investment capital.
	Costs to transition to lower emissions technology	JS Global Lifestyle needs a transformation to low emission technologies, including investments in technologies for energy conservation and emission reduction. However, the timing of technology development and deployment and the uncertainty of results will affect the returns of JS Global Lifestyle's technology investments.	
Market	Changing customer behavior	As climate change becomes a topic of concern, global consumers are attaching greater importance to the environment-friendliness of products they purchase, and increasing consumers will prefer to choose products with lower carbon emission, which in turn brings rising demands for green materials. Further, frequent extreme weather events may bring pressure to the supply chain, which will cause costs of raw materials to increase.	
	Increased cost of raw materials		

Climate change risk	TCFD ¹⁴ recommendation	Risk description	Financial impact
Reputation	<p>Shifts in consumer preferences</p> <p>Increased concern from stakeholders from their negative feedback</p>	<p>The public concern on the changing customer behavior is growing and stakeholders have higher expectation on companies to adopt more measures to effectively manage and mitigate the environmental footprint. Consumers expect that JS Global Lifestyle can offer more green products; investors expect that JS Global Lifestyle can operate in a more environment-friendly way; the government expects that JS Global Lifestyle can achieve the energy conservation and emission reduction goals set previously to mitigate climate change. The failure to offer effective feedback to stakeholders may affect JS Global Lifestyle's reputation.</p>	

Climate change risk		TCFD ¹⁴ recommendation	Risk description	Financial impact
Physical risk	Acute risk	Typhoons	Under the RCP8.5 scenario ¹⁵ , JS Global Lifestyle would face more severe typhoons/ hurricanes, with acute risks such as persistent high temperatures, river and coastal floods, and drought, which may have an impact on the operation of JS Global Lifestyle.	Increased operating costs caused by additional energy consumption and employees' absences due to extreme weathers;
		Extreme cold		
		Extreme heat		
		Floods		
	Chronic risk	Droughts	Under the RCP8.5 scenario, JS Global Lifestyle's operations would be severely affected by rising sea level and an increase in the frequency of extreme rainfalls in the regions where it operates as a result of global warming.	Reduced product sales due to shifts in customer preference because of lower quality of products caused by the abnormal operation of production facilities due to the extreme weathers;
		Changes in precipitation and extreme variability in weather patterns		Reduced revenues and even losses due to lower productivity resulted from production suspension caused by disastrous weathers;
		Rising mean temperatures		Repair and replacement costs due to the breakdown and even damage of facilities caused by extreme weathers.
		Rising sea levels		

¹⁵ Refers to the baseline scenario in the absence of climate change policy interventions

Response to the Climate Change Risk

JS Global Lifestyle systematically identified climate change risks and integrated the same into existing risk management. At the same time, it actively carried out relevant adaptation and response measures, and formulated relevant mechanisms such as extreme climate emergency management to ensure the stability and continuity of business operation. Meanwhile, JS Global Lifestyle actively adopted various energy preservation and emissions reduction measures in response to the relevant policies and regulations of the countries and regions where it operates, helping to mitigate the impact of global climate change.

Energy Conservation and Emission Reduction

JS Global Lifestyle takes action to improve the environmental performance of its operations. At SharkNinja, a company-wide carbon emission assessment is carried out on an annual basis to fully understand the organisation's environmental impact. SharkNinja's emissions assessment is completed by an external consultant and includes its scope 1 (direct emission), scope 2 (purchased energy) and some of its scope 3 (upstream and downstream) emissions including international shipping and business travel. The environmental data is collected using data collection packs provided by the external consultant and the calculation is conducted in accordance with the international standard for carbon emission accounting, ISO 14064:2018. In the future, JS Global Lifestyle will implement a new online ESG reporting tool, which will streamline the data collection process.

In the U.K., SharkNinja purchased Verified Carbon Standard (VCS) carbon credits to offset the carbon footprint generated. The carbon credits we purchase fund project that support the long-term preservation of the Amazon Rainforest. Additionally, SharkNinja contributed to the reduction of climate changes through carbon offsetting and tree planting activities. Joyoung also actively fulfilled the obligation of emission reduction and carbon reduction through taking part in tree planting activities. In 2021, Joyoung afforested an area of 27,845 square meters.



^ SharkNinja's tree planting in the U.K.

In 2021, Joyoung developed the Rules for Energy and Resources Management, which set plans for the use of energy and resources and regulations on supervision and control and served as the guideline for all departments to effectively control the use of energy and resources within the departments. In selecting resources for use, all departments fully consider the environmental impact, prioritize energy-conserving and environment-friendly products and follow the energy conservation and consumption reduction principle to reduce negative impact on the environment.

In addition, Joyoung actively promotes the use of new energy in the process of business operation and equips plants and offices with photovoltaic power generation facilities, which significantly reduce the dependency on purchased electricity. In 2021, total photovoltaic power generated was 3,163,198 kWh, among which, the power utilized by Joyoung was 2,708,188 kWh and the rest of 455,010 kWh accessed to the grid, representing a self-consumption rate of 86%. Meanwhile, Joyoung improves premises including offices and dormitories to increase the space utilization and reduce energy consumption, installing energy-conserving lights, phasing out old-fashioned highly water-consuming pumps and reducing the use of highly energy-consuming equipment. It strengthens inspection and supervision of energy use, conducts energy inspections and inspections of water equipment and pipelines at regular intervals during the night, reports abnormal energy use and urges rectifications, to avoid unnecessary waste caused by leakage. Further, we promote measures including two-sided printing, taking public transport means for businesses in urban areas, turning off the lights during lunch breaks, using energy-conserving lamps and posting tips in air-conditioned areas, to contribute to environmental protection.



^ Joyoung photovoltaic power generation facilities



^ Energy conservation tips in offices

Table: Energy Use and Greenhouse Gas Emission Data of Js Global Lifestyle for 2021¹⁶

Category	Unit	2020	2021
Direct energy consumption	GJ	4,078.72	5,493.10
Gasoline	GJ	1,962.04	1,597.97
Natural gas	GJ	2,116.68	3,895.13
Indirect energy consumption	KWh	22,788,127.60	24,243,177.00
Purchased electricity	KWh	20,383,523.60	21,534,989.00
Renewable electricity	KWh	2,404,604	2,708,188
Electricity consumption against revenue	KWh/US dollars in millions	5,431.18	4,706.86
Scope 1 greenhouse gas emissions	Tonne CO ₂ e	836.91	680.03
Scope 2 greenhouse gas emissions	Tonne CO ₂ e	11,918.01	11,685.13
Scope 3 greenhouse gas emissions ¹⁷	Tonne CO ₂ e	101,123.86	140,288.36
Total greenhouse gas emissions (Scope 1 + Scope 2)	Tonne CO ₂ e	12,754.92	12,365.16
Greenhouse gas emissions against revenue (Scope 1 + Scope 2)	Tonne CO ₂ e/US dollars in millions	3.04	2.40

¹⁶ SharkNinja's greenhouse gas 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 U.K. Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). Joyoung's energy consumption and greenhouse gas emission was calculated in accordance with Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Other Industries (Trial), under the General Rules for Calculation of the Comprehensive Energy Consumption (GB2589-2020) where the standards and factors were indicated. The conversion factor of electricity purchased was average CO₂ emission factors from Baseline Emission Factors of China's Regional Power Grid. The amount of greenhouse gas generated from refrigerant dispersal was calculated by reference to the method in the GHG Protocol jointly established by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) and the relevant parameters in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), and the greenhouse gas emission for 2020 was adjusted accordingly.

¹⁷ Scope 3 greenhouse gas emissions were only from the SharkNinja segment.



05

**EMPLOYEE
MANAGEMENT**



EMPLOYEE MANAGEMENT

SDGs responded under this section



Material ESG issues covered in this section

Career development
 Labor management
 Health and safety

JS Global Lifestyle is committed to building a career platform of equality, inclusion and harmony for employees. Upholding the values of “people orientation, teamwork, responsibility and health”, JS Global Lifestyle strives to ensure that every employee has equal legal rights in employment, remuneration and benefits, training and development as well as human rights.

5.1 Employment

We strictly abide by the relevant laws and regulations applicable to the various regions where our operations are conducted and we have developed the Policy on Employees’ Rights and Interests to protect employees’ legitimate rights and interests. SharkNinja has developed an Employee Handbook, which outlines its key policies on its employee rights and expectations, such as conduct in the workplace and procedures for access to benefits, remuneration, holidays, sick leave and security. In China, Joyoung has formulated the Employment Guidelines, the internal referral management rules, the social recruitment management rules and the rules for the engagement and management of headhunting agencies, and established relevant control procedures, and built a healthy and safe working environment with equality and mutual respect.

As a responsible employer, we guarantee equal pay for men and women for work of equal value, and strictly prohibit child and forced labor. To avoid such non-compliance, we review identification documentation of all new employees to ensure that they are of legal working age. By providing multiple complaint and appeal channels, both employees and the public are able to report suspected cases of child and forced labor via email, public complaint hotline, our reporting mailboxes or reporting letters, etc. In addition, we set the Interim Provisions on Labor Dispatch in Mainland China to strictly control the number of dispatched laborers, to ensure that the number of dispatched workers does not exceed 10% of the total employees in Mainland China. During the Reporting Period, the Company did not identify any case of child and forced labor.

With multiple channels including campus recruitment, social recruitment, the internet and multi-media platforms, job fairs and internal referral, we recruit talents sharing common values with JS Global Lifestyle as well as being courageous and tenacious to pursue greater achievement, and make our contribution to the social target of “stabilizing employment” established by governments. As at the end of the Reporting Period, we had 5,420 full-time employees and 162 part-time employees, with 100% full-time employees signed their labor contracts.

The details of employees are set out below:

Table: Employees of JS Global Lifestyle

Indicator	Category		Unit	Data for 2021
Employment	By gender	Male employees	Person	3,542
		Female employees	Person	2,040
	By rank	Frontline employees	Person	3,880
		Including: female employees	Person	1,549
		Junior management	Person	923
		Including: female employees	Person	294
		Middle management	Person	583
		Including: female employees	Person	152
		Senior management	Person	196
		Including: female employees	Person	45
	By age	29 and below	Person	2,111
		30–39	Person	2,196
		40–49	Person	889
		50 and above	Person	386
	By region	U.S.	Person	984
		Other regions in the Americas	Person	185
		Europe	Person	476
		Mainland China	Person	3,856
		Hong Kong, Macau and Taiwan of China	Person	26
		Other regions in Asia	Person	55
Other overseas regions		Person	0	

Employees newly employed by JS Global Lifestyle in 2021 are as follows:



Diversity

As a responsible employer, we take the zero-tolerance stance towards any form of discrimination, threat, harassment, violence, infringement of dignity and other unethical conducts, and undertake that the implementation of all labor policies is not linked to employees’ gender, ethnic group, age, health condition, gender orientation, marital status and other personal characteristics, so that we can maintain a group of diversity and the corporate culture of fairness and righteousness. During the Reporting Period, the Company did not substantiate any claim of similar nature.

SharkNinja has opened courses related to workplace discrimination, bullying and harassment for all employees through the online learning platform, and has conducted training for employees and management to address such incidents. At the same time, SharkNinja has also set up the EthicsPoint reporting system to provide employees with channels to report incidents including discrimination, bullying and harassment.

We build a workplace of diversity and equity for employees. Efforts were made by us to enable persons with disabilities to fully enjoy fair employment opportunities. As at the end of the Reporting Period, Joyoung employed a total of 46 persons with disabilities. SharkNinja has always been committed to promoting diversity and facilitating the employment of underrepresented groups, with the goal that more than 20% of new employees will be from underrepresented groups by 2022. In addition, SharkNinja set the Diversity, Equality & Inclusion (DEI) strategy that covers three aspects: job and opportunity, health and wellbeing, and education, so as to establish a corporate culture of equity, diversity and inclusion.



As of the end of the Reporting Period, SharkNinja had 4 branch committees around the world with over 100 employees from all over the world engaged, and the Global DEI Advisory Committee of SharkNinja provided strategic guidance and focused on DEI topics at the level of business systems and operations (including recruitment). Devoted to comprehensive inclusion of underrepresented groups, SharkNinja is also committed to providing people with disabilities with necessary facilitation and other benefits and entitlements in employment. Additionally, SharkNinja makes continuous efforts to increase the number of female employees, especially the proportion of female employees in management and R&D positions.



▲ SharkNinja's diversity initiatives

The distribution of our female employees in revenue generating functions and STEM positions at the end of the Reporting Period was as follows:

Table: Distribution of female employees of JS Global Lifestyle in revenue generating functions and STEM positions

Category	Number of female employees	Total number of employees	Proportion
Revenue generating functions	250	611	40.92%
STEM ¹⁸ positions	614	2,402	25.56%

¹⁸ STEM positions refer to those in the sectors of science, technology, engineering and mathematics.

Remuneration and Benefits

We set remuneration standards in compliance with relevant laws and regulations of places where our operations are conducted, including laws relating to the prescribed minimum wage, maximum working hour, overtime and statutory holidays to make sure that the internal remuneration standards are in line with the reasonable levels of industries and labor markets of places where operations are conducted. In accordance with the provisions of laws and regulations, we pay full contributions to social insurance and medical insurance for employees and offer them supplementary commercial insurance. The operating bases in China also pay contributions to the housing provident fund for employees.

We adopt the “fixed + float” remuneration system to implement fair management on remuneration based on characteristics of different positions composed of the basic salary with consideration of float compensations including post allowances and year-end bonuses and share option scheme, for the purpose of motivating employees. Each year, we adjust remuneration and benefits according to the wage standards, latest social security bases and other relevant data released by governments of regions where operations are conducted, to ensure that the remuneration packages addresses standard of living and also remains competitive in the market. During the Reporting Period, Joyoung has formulated the latest stock options plan affecting 107 employees, including 4 directors and 103 core backbone employees, who were granted 15.6 million stock options.

SharkNinja provides employees with a variety of benefits including medical insurance, dental and eye examinations, health savings accounts, life insurance, subsidies to retirement savings accounts of employees, critical illness and disability assistance, travel accident insurance, pet insurance (optional, paid by employees), employee assistance, free counseling courses, legal and financial support, childcare support and discounts on products of the company. SharkNinja offers additional float holidays to allow employees of different background to celebrate their cultural or religious festivals without sacrificing vacation days.

Joyoung has developed the Rules on Benefits Management and relevant supplementary explanations to build a management system with a humanistic and differentiated care and special benefits plans are designed for different scenarios, which effectively improve employees’ benefits experience and sense of belonging. Joyoung has adopt multiple measures to provide employees with diversified benefits and guarantees and has conducted various optimization and upgrades in 2021.

5.2 Employee Training and Development

The development of employees is critical to our sustained growth. To meet the career development requirements of a diverse group of employees, improve employees' capabilities and ensure that we can provide customers with quality products and service on an ongoing basis, SharkNinja has "SharkNinja University" to enrich employees' learning experience with digital means and all employees can access customized training courses on the online learning platform of SharkNinja to further develop their career. Joyoung formulated the Internal Training Management System, established a sound training system and the "three-channel" promotion system and performance review system that cover technology, quality and patent personnel and developed the cross-department career development path to help employees to grow.

5.2.1 Employee Training

Considering the operational requirements and the characteristics of positions and integrating internal and external resources, we organize new employee trainings and special trainings, require all trainings to have assessments on the effectiveness and achievements and establish the feedback mechanism, to promote further improvement and upgrade of training system. At the same time, in order to enable employees to improve their personal quality through independent learning, we encourage employees to enhance their academic qualifications, further study or obtain vocational certifications on their own, and give certain incentives or tuition reimbursement to employees who have completed their courses and obtained corresponding academic qualifications (degrees) and certificates, offering financial support for employees for their further education. As of the end of the Reporting Period, SharkNinja and Joyoung invested US\$1.4 million and RMB5 million in employee training, respectively.

With various talent development programs, SharkNinja offers employees training on leadership, management, creative thinking, best employment practices and product development to cultivate the next generation of talent.

Talent Development Programs of SharkNinja



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



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 all associates to create goals using the Breakthrough mindset, challenge the current thinking, envision extraordinary outcomes, and develop their own breakthrough projects).



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

During the Reporting Period, Joyoung strengthened the building of Xiaoyang School (a training platform for employees) and launched a range of training programs, including J Project, Y Plan, Quality Improvement, New Leader Workshop, Business Co-development Forum and Intergenerational Leadership Training Camp. These programs covered 1,251 courses, trained a total of 55,000 employees, with the average training hours per trainee being 60 hours, helped employees to improve in the whole process from frontline technicians to senior managers, built a dynamic talent incentive and growth mechanism, effectively improved the core competitiveness of the company and promoted the common growth of the company and employees.

Product Performance Improvement Program	Innovative TRIZ Program	Inter-generational Leadership Program
<ul style="list-style-type: none"> • Purpose: • To establish a mechanism that creates products with sales of RMB100 million and achieve 100% success of product commercialization 	<ul style="list-style-type: none"> • Purpose: • To help relevant employees learn to use innovative tools and methods, and cultivate innovative talent and accumulate innovative experience through solving R&D pain points and difficulties 	<ul style="list-style-type: none"> • Purpose: • To cultivate young managers with young minds, achieve team management from the perspective of humanity and enhance the cultivation of young talent and the stability of core teams. To learn and implement ways of management
<ul style="list-style-type: none"> • Coverage: • The number of participants reached 920, covering all employees along product chain and accounting for 60% of such employees 	<ul style="list-style-type: none"> • Coverage: • The number of participants reached 281, accounting for 95% of R&D personnel 	<ul style="list-style-type: none"> • Coverage: • The number of participants reached 360, accounting for 90% of the management

When new employees join the organization, Joyoung provides new employees with phased trainings to help them get familiar with job functions and responsibilities within a short period of time. The orientation training combines theories and practices and integrates online and offline means to help new employees to better absorb the training content, enhance their professional development and support with their quick integration into the organization.

Joyoung New Employee Training



From March to November every year, Joyoung organizes new employee training every other month for those selected through campus recruitment and social recruitment, offering online and offline courses to help them to understand corporate culture, development strategies, history and innovation achievements, product marketing, quality management, business simulation, professional ethnics, procedures and systems and to experience the use of products, so as to improve the cohesion of new employees.



Joyoung fully identifies employees' training needs, customizes trainings according to employees' requirements to core skills and allocates appropriate training resources. To ensure the order of training courses, Joyoung send detailed training plans to employees before the courses start to help them have a clear picture of training procedures and contents. After trainings, it reviews employees' performance through tests and assess the achievement of trainings, for the purpose of improving the weak links of trainings.



Joyoung New Leader Workshop

From April to May every year, Joyoung offers trainings to new managers by the workshop of online learning, offline teaching and review, to help trainees to absorb knowledge on role cognition and transformation, relationship establishment and efficient communication, approaches for achieving outstanding performance, time management and etc.



Joyoung Business Co-development Forum

In October 2021, Joyoung organized the business co-development forum for middle and senior managers. Coached by Huawei's experts, trainees learned from strategies to business management, brand strategies and top-level marketing design, GTM systematic operation and practice, product marketing operation, aiming to improve their project management capability as managers.



Trainings we organized for employees during the Reporting Period are as follows:

Table: Training of JS Global Lifestyle for Employees

Indicator	Category	Unit	Data for 2021
Proportion of employees trained	Proportion of female employees trained	%	95.44
	Proportion of male employees trained	%	96.75
	Proportion of frontline employees trained	%	94.74
	Proportion of management employees trained	%	98.71
Training hours	Average training hours of female employees	Hour	40.62
	Average training hours of male employees	Hour	48.74
	Average training hours of frontline employees	Hour	34.74
	Average training hours of management employees	Hour	61.88


5.2.2 Employee Development

We focus on providing employees with a smooth development channel. In 2021, SharkNinja piloted standard procedures of career development and promotion in business units, established career development profile for employees and developed corresponding skill and knowledge maps for employees of all levels, the career development guidelines and the guidelines for career paths of worldwide engineering positions. Joyoung builds the talent supply chain 2.0 system, promotes the talent plans for the next 1-3 years on the basis of business development and offers reserve talents to the middle and senior management and key positions through internal cultivation and external recruitment. Internally, Joyoung develops three career development paths for its employees, i.e. technology, quality and patent, and cultivates project manager pipelines. It conducts talent review on an annual basis and effectively applies the competence assessment results of talent grid to identify high-potential talents and help employees to improve their capabilities. Externally, Joyoung introduces leading talents for new businesses, recruits key and far-sighted talents to reserve talents for the future.

Joyoung has established a “bench plan” for the succession of core cadre posts to avoid vacancies resulting from the changes of posts. Meanwhile, Joyoung carries out a “running water plan” for cadres to promote young employees actively and implement job rotations every 3-5 years, thus injecting vitality into the company and increasing the number of young employees in its talent pool.

Talent cultivation system 2.0

A cultivation system based on employees' growth and post competence



For strategic transformation For skill improvement For talent pool

Learning Platform: Xiaoyang School, CEIBS Mini Business School, Fan Deng Reading Club

Joyoung talent cultivation system 2.0

The employee turnover during the Reporting Period is as follows:

Table: Employee turnover of JS Global Lifestyle

Indicator	Category	Unit	Number of turnover employees in 2021	Turnover rate of 2021	
Employee turnover	By gender	Male employees	Person	823	23.24%
		Female employees	Person	467	22.89%
	By rank	Frontline employees	Person	923	23.79%
		Junior management	Person	212	22.97%
		Middle management	Person	118	20.24%
		Senior management	Person	37	18.88%
	By age	29 and below	Person	683	32.35%
		30-39	Person	437	19.90%
		40-49	Person	105	11.81%
		50 and above	Person	65	16.84%
	By region	U.S.	Person	187	19.00%
		Other regions in the Americas	Person	27	14.59%
		Europe	Person	42	8.82%
		Mainland China	Person	1,027	26.63%
		Hong Kong, Macau, Taiwan of China	Person	5	19.23%
		Other regions in Asia	Person	2	3.64%
		Other overseas regions	Person	0	0
Total number of turnover		Person	1,290	23.11%	
Number of voluntary turnover		Person	1,130	20.24%	

5.3 Care for Employees

We value employee satisfaction and strengthen the care for employees from the aspect of democratic management, daily cultural life and employee benefits, to further improve their sense of happiness and gains.

Democratic Management

We value our employees' voices and respect employees' advice and suggestions for promoting the development of the Company and establish diversified communication channels. For a deeper understanding of employees' difficulties and needs, we use various channels to listen to employees' voice on the regular basis. In SharkNinja, we support our employees and their rights in the countries in which they live and work. In France, all of our employees are covered by a Contract bargaining agreement as required by law. Joyoung has established the Staff Comments, Suggestions, Grievance Handling and Feedback Management Procedures and holds the employee representatives general meeting every year to offer employees the opportunity to express their views. A total of 112 employees attended the 2021 employee representative general meeting of Joyoung. In addition, Joyoung establishes the "General Manager Mailbox" and the complaint and feedback platform to expand communication channels with employees.

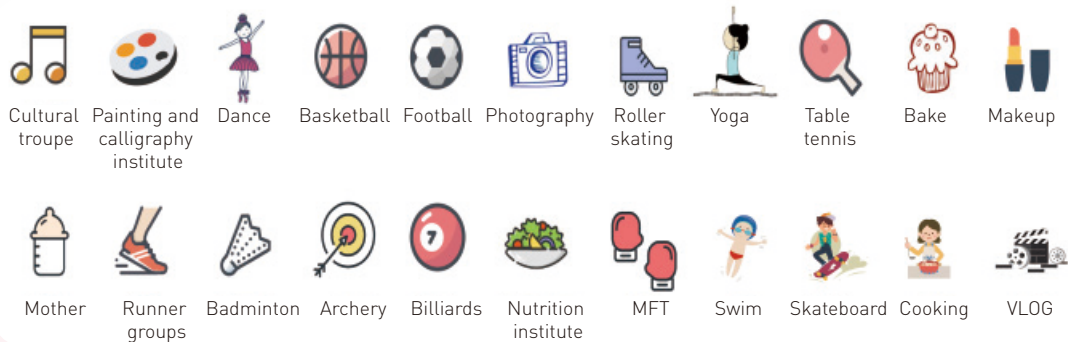
Cultural Activities

SharkNinja's established affinity groups operate in their offices around the globe, actively promote programs and activities on cultural diversity, and promote the cultural diversity and inclusion by celebrating various religious festivals in different forms every year.



▲ SharkNinja's celebration of Diwali in 2021

Joyoung establish clubs for employees based on their hobbies to enrich their leisure life. As of the end of the Reporting Period, Joyoung has established 22 clubs, with a variety of items offered to employees without fees, to promote the physical and mental health of employees and help employees develop their own potential and hobbies. We also provide summer programs to children of employees free of charge. In 2021, Joyoung trained 97 children of employees for free and relieved the expenditures of employees in children’s interest fostering and education. Joyoung also provides colorful entertainment activities to employees through the “three major cultural events”, employee awarding ceremony, employee sports meeting and annual gala.



^ Joyoung Clubs



^ Joyoung employee conference



^ Joyoung sports meeting



^ Joyoung annual gala

Care for Employees

We regard employees as an important part of the Company, and offer a series of activities to positively impact our employees' lives.

SharkNinja has established the environmental affinity groups in the U.K. and promotes various environmentally and socially friendly practices. In order to balance the work and life of employees and acknowledge their hard work, SharkNinja put in place a summer working-hour policy to encourage employees to leave work before 1 p.m. on Fridays in August. In addition, SharkNinja also launched the "Product Release Thank you Day", which is to celebrate the release of new products. It provides employees with additional rest days, so that employees have more time to spend with friends and family, relaxing their bodies and minds. During the Reporting Period, SharkNinja received awards such as "Boston's Best Workplaces in 2022" and the "100 Best Large Companies to Work in Boston" from BuiltIn¹⁹ for its outstanding performance in employment.



▲ Honors and awards received by SharkNinja

During the Reporting Period, SharkNinja conducted a survey on employee's work commitment involving 2,500 people, 527 of whom gave effective feedback, and the survey result of employee engagement was 72%.

¹⁹ BuiltIn is an online community for national startups and technology companies founded in Chicago, USA in 2011.



Care for Employee — House of Love

To help couples who are both employees of Joyoung and have no house in Hangzhou to relieve the pressure of renting a house, Joyoung provides them with “House of Love”, which is a move not only relieves employees from the worry about housing after getting married but also enhances employees’ sense of belonging.



Care for Retired Employees

Joyoung never forgets the old employees who worked together with the organization in the early stage of business. During the Mid-Autumn Festival and the Chinese New Year of every year, Joyoung visits these retired employees with festival greetings, has dinners with them and delivers its care and respect to them.



5.4 Employee Health






The health and safety of employees is one of the factors JS Global Lifestyle values most. We have been in strict compliance with the relevant laws and regulations in places where we operate and passed the ISO 45001 : 2018 Occupational Health Management System certification. We constantly improve our safety management system, identify and assess and reduce potential risks relating to the health and safety of our employees on a regular basis and provide our employees with necessary physical examination and medical insurance. During the COVID-19 pandemic, we offered health guidelines to our employees, implemented diversified measures on pandemic prevention and control and health monitoring, and arranged remote work reasonably, so as to build a healthy and safe working environment for our employees.

Occupational Health and Safety Management

During the COVID-19 pandemic, SharkNinja regards employees' families and health as top priority, organizes operating bases around the world to develop policies and plans to cope with COVID-19 to safeguard the health of employees and distributors. SharkNinja arranged for employees to work from home, implemented strict disinfection and cleaning measures in offices, provided employees with masks, sanitizers and protective equipment, communicated new measures for preventing COVID-19 from wider spread to employees and customers and discloses the relevant information in a timely manner by e-mail and the intranet. With reference to epidemic prevention requirements of all countries and regions, SharkNinja provided employees with a COVID-19 Prevention Handbook, with its content updated according to the COVID-19 development.

To improve employees' work safety awareness and ensure safe production, Joyoung follows the principles of "people orientation, harmony management, risk reduction, safety and health"; appoints designated specialists for the management of occupational health and safety; follows laws, regulations, standards and other provisions that are applicable to its occupational health and safety management works and the relevant updates on the regular basis every year; sets occupational health and safety goals and implementation measures for each year; monitors and measures the performance of occupational health and safety management system, and reviews the achievement of these goals on a regular basis. During the Reporting Period, Joyoung made unified amendments to the system documents that are effective to all entities within the organization, which covered 23 departments and 181 sets of rules and policies.

Joyoung adopts the following measures to ensure the occupational health and safety of employees:

 <p>Identification of hazard sources</p> <p>Every year, Joyoung organizes all departments to identify and assess hazard sources in their respective business activities (including products and related parties involved) and to develop targeted preventive and rectification measures.</p>	 <p>Emergency response</p> <p>Joyoung formulates emergency plans every year and organizes emergency drills to identify and reduce potential risks.</p>	 <p>Occupational health checks</p> <p>To prevent occupational diseases, safeguard the health of employees, improve employees' work safety awareness and ensure safe production, Joyoung organizes pre-service, in-service and post-service occupational health checks for employees who are exposed to occupational disease hazards every year and establishes occupational health profile for them.</p>
 <p>Monitoring of hazardous factors of positions</p> <p>Every year, Joyoung makes arrangements for annual occupational health testing for positions with hazardous factors and sets up complete warning and instruction signs in conspicuous places for these positions. Meanwhile, the company provides employees of such positions with labor protective equipment and ensures employees use the equipment in the correct way and replace the old equipment with new ones in a timely manner.</p>	 <p>Trainings</p> <p>Every year, Joyoung offers health and safety trainings on the regular basis, which include three-level safety education and trainings for new employees, working environment, health and safety trainings for redesignated employees, safety awareness and operation skills trainings for employees who are or may be exposed to hazardous factors.</p>	<p>6S</p> <p>6S production management</p> <p>Production departments set 6S management tasks and inspection standards, organize trainings and provide guidance, appoint specialists for daily 6S monitoring, weekly inspection and implementation of regular monitoring and timely rectification, to prevent safety risks.</p>

During the Reporting Period, Joyoung conducted multiple drills and trainings of different themes to improve employees' capabilities of coping with emergencies, cultivate employees' safety awareness and prevent relevant safety risks.



Joyoung food poisoning emergency drill

In August 2021, Joyoung carried out a food poisoning emergency drill, which simulated the situation where a number of employees suffered from food poisoning after having meals in the canteen. Following the emergency response plan, all teams cooperated throughout the whole process and took measures to accomplish the mission of the drill. In addition, Joyoung organized employees to review the drill afterwards to gain valuable experience for coping with this kind of safety risk.





Joyoung fire emergency drill

In May 2021, Joyoung carried out a fire emergency drill that covered multiple departments including supply chain management department, Chinese lifestyle business units, cooking lifestyle business units and quality technology department, which simulated the situation where a workshop triggered a fire accident due to improper operation. Following the emergency response plan, all teams cooperated to accomplish the mission of the drill. The drill improved employees' capability of coping with fire emergency and equipped them with basic knowledge of using firefighting equipment, providing valuable experience for coping with this kind of emergency.



The performance of occupational health and safety of JS Global Lifestyle during the Reporting Period is as follows:

Table: Work-related Injury of JS Global Lifestyle

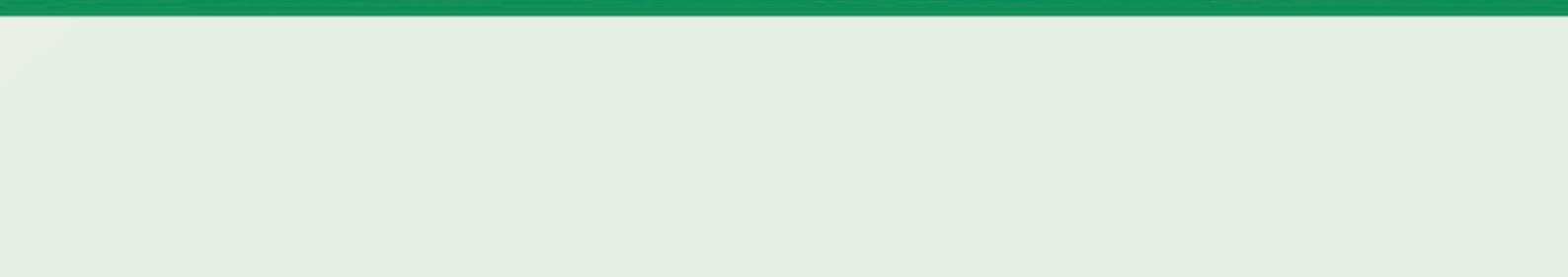
Indicator		Unit	Data for 2019	Data for 2020	Data for 2021
Work-related injury	Number of work-related fatalities	Person	0	0	0
	Rate of work-related fatalities	%	0	0	0
	Lost hours due to work injury	Hour	∠	∠	183
	Work-related injury cases		∠	∠	6
	Lost-time Injury Frequency Rate (LTIFR) ²⁰	Number/ million working hours	∠	∠	0.52

²⁰ Lost-time injury frequency rate (LTIFR): Any work-related injury that results in the company employee or third-party contractor employee not being able to return to work the next scheduled work day/shift and is calculated using the formula: $LTIFR = (\text{Number of lost-time injuries}) / (\text{Total working hours during the Reporting Period}) \times 1,000,000$



06

SOCIAL
WELFARE



SOCIAL WELFARE

SDGs responded under this section



Material ESG issues covered in this section

Social and welfare

As an enterprise with the sense of social responsibility, JS Global Lifestyle always cares about the community and continually repays the society through supporting poverty alleviation, education, disaster relief and other charity activities. Currently, we have shaped the multi-dimensional charity brand covering rural revitalization, health promotion, charity collaboration, education support and disaster relief, and fulfilled the corporate social responsibility by various forms of donations and volunteer services.

6.1 Charity

We are committed to the role of responsible enterprise and devote our love to safeguarding the food safety of students in poverty-stricken areas with two major campaigns, “Joyoung Charity Kitchen” and “Walking in Love” of Joyoung Foundation under JS Global Lifestyle, and various kinds of global welfare actions to promote community development, warming the society with sincere love.

Global Action

SharkNinja pays back to in its local communities through volunteering activities and cash and in-kind product donation activities. SharkNinja initiated the “SharkNinjaCares” donation scheme to donate funds to eligible organizations. Furthermore, SharkNinja has developed volunteer service policies that offer its employees 8 hours of paid volunteer services to support them to contribute to local communities.

Joyoung Charity Kitchen

The diet and health of rural children has always been a key social concern for Joyoung. As early in 2010, Joyoung set up the "Joyoung Hope Fund" with a donation of RMB50 million to the China Youth Development Foundation and built over 1,000 charity kitchens in ten years. In 2021, following the country's rural revitalization strategy, Joyoung updated "Joyoung Hope Kitchen" with "new standard, new image, new mission" and changed the name to "Joyoung Charity Kitchen". As at the end of the Reporting Period, the project has covered 222 counties in 27 cities and provinces, built 1,217 kitchens that comply with national food safety standards and benefited over 2,600,000 students. Joyoung and its founding team pledged to donate no less than RMB110 million to the "Joyoung Charity Kitchen" project in the next ten years. The project plans to select 100 schools in rural areas across the country every year with no less than 1,000 schools to be selected in the next 10 years, and each school will get investments ranging from RMB80,000 to RMB100,000 to build professional, environment-friendly and efficient standardized kitchens by redevelopment of infrastructures, installation of new equipment, trainings to relevant personnel and other forms of support, so that schools can improve their serving capacities and youngsters can grow up healthily.



▲ Joyoung Charity Kitchen

Table: Joyoung Charity Kitchen Layout by Regions

Province	Number	Proportion	Province	Number	Proportion
Hubei	46	3.78%	Qinghai	46	3.78%
Hunan	152	12.49%	Yunnan	78	6.41%
Guizhou	38	3.12%	Xinjiang	41	3.37%
Zhejiang	69	5.67%	Jiangxi	34	2.79%
Shandong	198	16.27%	Hebei	52	4.27%
Anhui	65	5.34%	Henan	56	4.60%
Tianjin	1	0.08%	Fujian	8	0.66%
Chongqing	16	1.31%	Sichuan	66	5.42%
Shan'xi	31	2.55%	Gansu	17	1.40%
Tibet	15	1.23%	Hainan	19	1.56%
Beijing	8	0.66%	Heilongjiang	35	2.88%
Guangxi	56	4.60%	Inner Mongolia	30	2.47%
Shaanxi	30	2.47%	Guangdong	1	0.08%
Jilin	9	0.74%	Total	1,217	100.00%



Joyoung Charity Kitchen helped rural schools in Zhejiang Province to improve conditions for dining

In 2021, Zhejiang Joyoung Foundation cooperated with Zhejiang Women and Children's Foundation to launch the "Charity Kitchen" project. The project equipped the kitchens of over 20 schools in rural areas within Zhejiang Province with modern electrical kitchen equipment and promoted a series of improvement measures to enable schools to have more efficient, safer and cleaner cooking, disinfection, storage and processing, thus improving the serving capacities of schools, providing more secure meals to students and promoting the infrastructure improvement of rural schools in the developing counties for achieving common prosperity in Zhejiang Province.



Joyoung’s persistent efforts are widely recognized by the society. During the Reporting Period, Joyoung was awarded with multiple public welfare honors:

Table: Public Welfare Honors Received by Joyoung in 2021

Honor	Time	Awarding unit
RED-TOP — Philanthropy	December 2021	cheaa.com
Top 60 China Corporate Citizen Responsibility Brands 2021	September 2021	China Committee of Corporate Citizenship
Food Systems Friendliness Award of the Year	September 2021	United Nations Food Systems Summit
Enterprise of Outstanding Contribution to Poverty Alleviation in Eastern and Western Regions	September 2021	Qiantang Government, Zhejiang Province
Hangzhou Charity Federation — Advanced Anti-epidemic Donor	May 2021	Hangzhou Civil Affairs Bureau and Hangzhou Charity Federation
China Charity List — Charity Model Award of the Year	April 2021	China Philanthropy Times
The 3rd China-Europe Social Responsibility Award for Poverty Alleviation	April 2021	China Europe International Business School (CEIBS)

Investments in social welfare during the Reporting Period are as follows:

Investments in Social Welfare by JS Global Lifestyle



ESG Key Performance Indicators

Environmental Performance			
Performance Indicators		Data for 2021	Unit
Water consumption	Water consumption	219,616.00	Tonnes
	Water consumption against revenue	42.64	Tonnes/ US dollars in millions
Consumption of packaging materials	Paper packaging materials	77,616.54	Tonnes
	Plastic packaging materials	2,264.58	Tonnes
	Total consumption of packaging materials	79,881.11	Tonnes
	Consumption of packaging materials against revenue	15.51	Tonnes/ US dollars in millions
Hazardous waste emission	Chemical production	0.86	Tonnes
	Battery production	1.47	Tonnes
	Total hazardous wastes	2.33	Tonnes
	Hazardous wastes against revenue	0.45	Kg/US dollars in millions
Non-hazardous waste emission	Cardboard production	280.74	Tonnes
	Plastic production	514.98	Tonnes
	Metal production	36.17	Tonnes
	Food waste production	112.50	Tonnes
	General domestic waste production	283.95	Tonnes
	Other electronic waste production	826.30	Tonnes
	Total non-hazardous wastes	2,054.64	Tonnes
	Non-hazardous waste against revenue	398.91	Kg/US dollars in millions
Waste recycle	Recycle of electronic waste	968,899	Pieces
Waste water discharge	Volume of waste water discharge	176,927.75	Tonnes
	Volume of waste water discharge against revenue	34.35	Tonnes/ US dollars in millions

Environmental Performance			
Performance Indicators		Data for 2021	Unit
Energy consumption	Gasoline consumption	1,597.97	GJ
	Natural gas consumption	3,895.13	GJ
	Direct energy consumption	5,493.10	GJ
	Purchased electricity	21,534,989.00	KWh
	Renewable electricity consumption	2,708,188	KWh
	Indirect energy consumption	24,243,177.00	KWh
	Electricity consumption against revenue	4,706.86	KWh/US dollars in millions
Greenhouse gas emissions	Scope 1 greenhouse gas emissions	680.03	Tonne CO ₂ e
	Scope 2 greenhouse gas emissions	11,685.13	Tonne CO ₂ e
	Scope 3 greenhouse gas emissions ²¹	140,288.36	Tonne CO ₂ e
	Total greenhouse gas emissions (Scope 1 + Scope 2)	12,365.16	Tonne CO ₂ e
	Greenhouse gas emissions against revenue (Scope 1 + Scope 2)	2.40	Tonne CO ₂ e/US dollars in millions

²¹ Scope 3 greenhouse gas emissions were only from the SharkNinja segment.

Social Performance			
Performance Indicators		Data for 2021	Unit
Proportion of participation in anti-corruption training	Directors	100	%
	Employees	50	%
Number of cases regarding corrupt practices		0	case
R&D investments		219	US dollars in millions
Number of R&D staff		715	persons
Number of intellectual property rights	Patents obtained by SharkNinja	336	patents
	Invention patents obtained by SharkNinja	108	patents
	Utility model patents obtained by SharkNinja	20	patents
	Design patents obtained by SharkNinja	208	patents
	Trademarks obtained by SharkNinja	46	trademarks
	Patents applied for by Joyoung	2,068	patents
	Invention patents applied for by Joyoung	206	patents
	Utility model patents applied for by Joyoung	1,654	patents
	Design patents applied for by Joyoung	208	patents
	Trademarks applied for by Joyoung	256	trademarks
	Software copyrights obtained by Joyoung	18	copyrights
	Amassed patents owned by Joyoung	10,129	patents
	Amassed invention patents owned by Joyoung	543	patents
	Amassed utility model patents owned by Joyoung	82,77	patents
	Amassed design patents owned by Joyoung	1,309	patents
	Product recalls		0
Number of complaints received about products and services		54,744	complaints

Social Performance			
Performance Indicators		Data for 2021	Unit
Handling rate for complaints received on products and services		100	%
Customer satisfaction	SharkNinja	North America: 86, the U.K.: 83.4, Japan: 87.4	%
	Joyoung	Satisfaction rate of monthly manual return visits: 97.5, satisfaction rate of annual survey: 96.5	%
Number of information security tests		25	tests
Information leakage incidents		0	incident
Number of key suppliers	Tier 1 suppliers	219	suppliers
	Key suppliers	137	suppliers
	Key tier 1 suppliers	41	suppliers
	Key non-tier 1 suppliers	96	suppliers
	Key suppliers in the U.S.	5	suppliers
	Key suppliers in Europe	5	suppliers
	Key suppliers in Mainland China	104	suppliers
	Key suppliers in Hong Kong, Macau and Taiwan of China	4	suppliers
	Other key suppliers in Asia	19	suppliers
Number of audited suppliers		116	suppliers
Supplier trainings	Number of supplier trainings organized by SharkNinja	At least once a year	trainings
	Number of supplier trainings organized by Joyoung	41	trainings
	Number of suppliers covered by supplier trainings organized by Joyoung	146	suppliers

Social Performance

Performance Indicators	Data for 2021	Unit
Number of employees	Total number of employees	5,582 employees
	Full-time employees	5,420 employees
	Part-time employees	162 employees
	Male employees	3,542 employees
	Female employees	2,040 employees
	Frontline employees	3,880 employees
	Including: Female employees	1,549 employees
	Junior management	923 employees
	Including: Female employees	294 employees
	Middle management	583 employees
	Including: Female employees	152 employees
	Senior management	196 employees
	Including: Female employees	45 employees
	Employees aged 29 and below	2,111 employees
	Employees aged 30-39	2,196 employees
	Employees aged 40-49	889 employees
	Employees aged 50 and above	386 employees
	U.S.	984 employees
	Other regions in the Americas	185 employees
	Europe	476 employees
	Mainland China	3,856 employees
	Hong Kong, Macau and Taiwan of China	26 employees
	Other regions in Asia	55 employees

Social Performance			
Performance Indicators		Data for 2021	Unit
	Other overseas regions	0	employee
Number of new hires in 2021	Total number of new hires	1,913	employees
	Aged 29 and below	1,116	employees
	Aged 30-39	526	employees
	Aged 40-49	195	employees
	Aged 50 and above	76	employees
	Male employees	1,125	employees
	Female employees	788	employees
	Frontline employees	1,600	employees
	Junior management employees	176	employees
	Middle management employees	104	employees
	Senior management employees	33	employees
Distribution of female employees in revenue generating functions and STEM positions	Proportion of female employees in revenue generating functions	40.92	%
	Proportion of female employees in STEM positions	25.56	%

Social Performance			
Performance Indicators		Data for 2021	Unit
Employee training	Proportion of female employees trained	95.44	%
	Proportion of male employees trained	96.75	%
	Proportion of frontline employees trained	94.74	%
	Proportion of management employees trained	98.71	%
	Average training hours of female employees	40.62	hours
	Average training hours of male employees	48.74	hours
	Average training hours of frontline employees	34.74	hours
	Average training hours of management employees	61.88	hours
	Employee turnover	Male employees	23.24
Female employees		22.89	%
Frontline employees		23.79	%
Junior management employees		22.97	%
Middle management employees		20.24	%
Senior management employees		18.88	%
Employees aged 29 and below		32.35	%
Employees aged 30-39		19.90	%
Employees aged 40-49		11.81	%
Employees aged 50 and above		16.84	%
U.S.		19.00	%
Other regions in the Americas		14.59	%
Europe		8.82	%

Social Performance			
Performance Indicators		Data for 2021	Unit
	Mainland China	26.63	%
	Hong Kong, Macau and Taiwan of China	19.23	%
	Other regions in Asia	3.64	%
	Other overseas regions	0	%
	Total employee voluntary turnover	23.11	%
	Employee voluntary turnover	20.24	%
Work-related injury and fatalities of employees	Number of work-related fatalities	0	employee
	Rate of work-related fatalities	0	%
	Lost hours due to work-related injury	183	hours
	Work-related injury cases	6	cases
	Lost Time Injury Frequency Rate (LTIFR)	0.52	number/million working hours
Investments in Social Welfare	Total payment for charity activities	2.66	US dollars in millions
	Number of staff volunteers	697	volunteers
	Time devoted to volunteer services	7,727	hours

INDEX TO THE ESG INDICATORS OF THE STOCK EXCHANGE

Disclosure indicators	Response
Area: Environmental	
A1: Emissions	
General Disclosure	Environmental Conservation and Management
A1.1 The types of emissions and respective emissions data	Emissions Management
A1.2 Total greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Combat Climate Change
A1.3 Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions Management
A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions Management
A1.5 Description of emissions target(s) set and steps taken to achieve them	Environmental Management, Environmental Goals, Use of Resources and Emissions Management
A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Environmental Management, Environmental Goals, Use of Resources and Emissions Management
A2: Use of Resources	
General Disclosure	Environmental Conservation and Management
A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total '000 kWh and intensity (e.g. per unit of production volume, per facility)	Combat 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 target(s) set and steps taken to achieve them	Environmental Goals and Combat Climate Change
A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Environmental Goals and Use of Resources
A2.5 Total packaging materials used for finished products (in tonnes) and, where appropriate, with reference to per unit produced	Use of Resources

Disclosure indicators		Response
A3: Environment and Natural Resources		
General Disclosure		Environmental Conservation and Management
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Environmental Management, Use of Resources, Emissions Management, Combat Climate Change
A4: Climate Change		
General Disclosure		Combat Climate Change
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Combat Climate Change
Area: Social		
Employment and Labor Standard		
B1: Employment		
General Disclosure		Employment
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		Employee Health
B2.1	Number and rate of work-related fatalities in the past three years	Employee Health
B2.2	Lost days due to work injury	Employee Health
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Employee Health

Disclosure indicators		Response
B3: Development and Training		
General Disclosure		Employee Training and Development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Employee Training and Development
B3.2	The average training hours completed per employee by gender and employee category	Employee Training and Development
B4: Labor Standard		
General Disclosure		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
Operation Practices		
B5: Supply Chain Management		
General Disclosure		Supply Chain Management
B5.1	Number of suppliers by geographical region	Supplier Management
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
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Sustainable Supply Chain
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Supplier Management

Disclosure indicators		Response
B6: Product Responsibility		
General Disclosure		Products and Services
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 Satisfaction
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 Privacy Protection
B7: Anti-corruption		
General Disclosure		Compliant Operation
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	Compliant Operation
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Compliant Operation
B7.3	Description of anti-corruption training provided to directors and staff	Compliant Operation
Community		
B8: Community Investment		
General Disclosure		Social Welfare
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	Social Welfare
B8.2	Resources contributed (e.g. money or time) to the focus area	Social Welfare

CONTENTS INDEX TO GRI STANDARDS

Disclosure Issues/ Disclosure Items	Title of Disclosure Items	Chapter Index
GRI 101: Foundation 2016		
GRI 102: General Disclosure 2016		
Organization Profile		
102-1	Name of the organization	About this Report
102-2	Activities, brands and products	About Us
102-3	Location of headquarters	About Us
102-4	Location of operations	About this Report
102-5	Ownership and legal form	About Us
102-6	Markets served	About Us
102-7	Scale of the organization	Refer to 2021 Annual Report
102-8	Information on employees and other workers	Employee Management
102-9	Supply chain	Supply Chain Management
102-10	Significant changes to the organization and its supply chain	Supply Chain Management
102-11	Precautionary principle or approach	Compliant Operation
102-12	External initiatives	Major Achievements & ESG Highlights
102-13	Membership of associations	N/A
Strategy		
102-14	Statement from senior decision maker	Board Statement on ESG
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	About Us
Governance		
102-18	Governance structure	Sustainability Management

Disclosure Issues/ Disclosure Items	Title of Disclosure Items	Chapter Index
Stakeholder Engagement		
102-40	List of stakeholder groups	Sustainability Management
102-41	Collective bargaining agreements	Employee Management
102-42	Identifying and selecting stakeholders	Sustainability Management
102-43	Approach to stakeholder engagement	Sustainability Management
102-44	Key topics and concerns raised	Sustainability Management
Reporting Practice		
102-45	Entities included in the consolidated financial statements	About this Report
102-46	Defining report content and topic boundaries	About this Report
102-47	List of material topics	Sustainability Management
102-48	Restatements of information	Please refer to the footnotes in the Report
102-49	Changes in reporting	About the Report, Sustainability Management
102-50	Reporting period	About this Report
102-51	Date of most recent report	About this Report
102-52	Reporting cycle	About this Report
102-53	Contact point for questions regarding the Report	About this Report
102-54	Claims of reporting in accordance with the GRI Standards	About this Report
102-55	GRI content index	Appendix: Contents Index to GRI Standards
102-56	External assurance	N/A
GRI 205: Anti-Corruption 2016		
103-1	Description of substantive topics and their boundaries	Compliant Operation

Disclosure Issues/ Disclosure Items	Title of Disclosure Items	Chapter Index
103-2	Management methods and their components	Compliant Operation
103-3	Evaluation of management methods	Compliant Operation
205-3	Confirmed incidents of corruption and actions taken	Compliant Operation
GRI 301: Materials 2016		
103-1	Description of substantive topics and their boundaries	Use of Resources
103-2	Management methods and their components	Use of Resources
103-3	Evaluation of management methods	Use of Resources
301-1	Weight or volume of material used	Use of Resources
GRI 302: Energy 2016		
103-1	Description of substantive topics and their boundaries	Combat Climate Change
103-2	Management methods and their components	Combat Climate Change
103-3	Evaluation of management methods	Combat Climate Change
302-1	Energy consumption within the organization	Combat Climate Change
302-3	Energy intensity	Combat Climate Change
GRI 303: Water Resources and Wastewater 2018		
103-1	Description of substantive topics and their boundaries	Use of Resources Emissions Management
103-2	Management methods and their components	Use of Resources
103-3	Evaluation of management methods	Emissions Management
303-1	Interaction of water as a shared resource	Use of Resources
303-2	Management of drainage-related impacts	Emissions Management
303-3	Water withdrawal by source	Use of Resources

Disclosure Issues/ Disclosure Items	Title of Disclosure Items	Chapter Index
GRI 305: Emissions 2016		
103-1	Description of substantive topics and their boundaries	Combat Climate Change
103-2	Management methods and their components	Combat Climate Change
103-3	Evaluation of management methods	Combat Climate Change
305-1	Direct (Scope 1) GHG emissions	Combat Climate Change
305-2	Energy indirect (Scope 2) GHG emissions	Combat Climate Change
305-3	Other indirect (Scope 3) GHG emissions	Combat Climate Change
305-4	GHG emissions intensity	Combat Climate Change
GRI 306: Waste 2020		
103-1	Description of substantive topics and their boundaries	Emissions Management
103-2	Management methods and their components	Emissions Management
103-3	Evaluation of management methods	Emissions Management
306-1	Generation of waste and significant waste-related impacts	Emissions Management
306-2	Significant waste-related impact management	Emissions Management
306-3	Waste generation	Emissions Management
GRI 307: Environmental Compliance 2016		
103-1	Description of substantive topics and their boundaries	Environmental Management
103-2	Management methods and their components	Environmental Management
103-3	Evaluation of management methods	Environmental Management
307-1	Violation of environmental laws and regulations	Environmental Management

Disclosure Issues/ Disclosure Items	Title of Disclosure Items	Chapter Index
GRI 308: Supplier Environmental Assessment 2016		
103-1	Description of substantive topics and their boundaries	Sustainable Supply Chain
103-2	Management methods and their components	Sustainable Supply Chain
103-3	Evaluation of management methods	Sustainable Supply Chain
GRI 401: Employment 2016		
103-1	Description of substantive topics and their boundaries	Employment
103-2	Management methods and their components	Employment
103-3	Evaluation of management methods	Employment
401-1	New hires and employee turnover	Employment
GRI 403: Occupational Health and Safety 2018		
103-1	Description of substantive topics and their boundaries	Employee Health
103-2	Management methods and their components	Employee Health
103-3	Evaluation of management methods	Employee Health
403-1	Occupational Health and Safety Management System	Employee Health
403-2	Hazard identification, risk assessment and incident investigation	Employee Health
403-3	Occupational Health Services	Employee Health
403-4	Occupational health and safety matters: worker participation, consultation and communication	Employee Health
403-5	Worker Occupational Health and Safety Training	Employee Health
403-6	Promoting worker health	Employee Health
403-7	Prevention and mitigation of business relationships directly related to occupational health and safety impacts	Employee Health
403-9	Work Injuries	Employee Health

Disclosure Issues/ Disclosure Items	Title of Disclosure Items	Chapter Index
GRI 404: Training and Education 2016		
103-1	Description of substantive topics and their boundaries	Employee Training and Development
103-2	Management methods and their components	Employee Training and Development
103-3	Evaluation of management methods	Employee Training and Development
404-1	Average number of hours of training per employee per year	Employee Training and Development
GRI 405: Diversity and Equal Opportunity 2016		
103-1	Description of substantive topics and their boundaries	Employment
103-2	Management methods and their components	Employment
103-3	Evaluation of management methods	Employment
405-1	Diversity of governance bodies and employees	Employment
GRI 413: Local Communities 2016		
103-1	Description of substantive topics and their boundaries	Charity
103-2	Management methods and their components	Charity
103-3	Evaluation of management methods	Charity
413-1	Operational sites with local community engagement, impact assessment and development plans	Charity
GRI 414: Social Assessment of Suppliers 2016		
103-1	Description of substantive topics and their boundaries	Sustainable Supply Chain
103-2	Management methods and their components	Sustainable Supply Chain
103-3	Evaluation of management methods	Sustainable Supply Chain

Disclosure Issues/ Disclosure Items	Title of Disclosure Items	Chapter Index
GRI 416: Customer Health and Safety 2016		
103-1	Description of substantive topics and their boundaries	Product Quality
103-2	Management methods and their components	Product Quality
103-3	Evaluation of management methods	Product Quality
416-2	Violations involving health and safety impacts of products and services	Compliant Operation
GRI 417: Marketing and Signage 2016		
103-1	Description of substantive topics and their boundaries	Responsible Marketing
103-2	Management methods and their components	Responsible Marketing
103-3	Evaluation of management methods	Responsible Marketing
417-3	Incidents of non-compliance involving marketing	Compliant Operation
GRI 418: Customer Privacy 2016		
103-1	Description of substantive topics and their boundaries	Customer Service
103-2	Management methods and their components	Customer Service
103-3	Evaluation of management methods	Customer Service
418-1	Substantiated complaints related to invasion of customer privacy and loss of customer data	Compliant Operation

FEEDBACK FORM

Dear readers,

Thank you very much for taking time out of your busy schedule to read the 2021 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!

Telephone: +852 2310 8035

E-mail: esg@jsgl.com

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 2021 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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