

# SHEIN



## SUSTAINABILITY AND SOCIAL IMPACT REPORT



INTRODUCTION

SHEIN is a global online fashion and lifestyle retailer with a mission to make the beauty of fashion accessible to all

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A Note From Our CEO

This report provides a comprehensive overview of SHEIN’s sustainability and social impact initiatives for 2024. As we reflect on the progress made over the past year, we are reminded of SHEIN’s role in doing our part for a more sustainable future – one that is socially equitable, environmentally resilient, and driven by innovation.

At SHEIN, we remain committed to making the beauty of fashion accessible to all. We recognise the complexities that come with delivering affordable, stylish apparel and other lifestyle products to customers across the globe. These challenges are multifaceted and continuously evolving; yet, we remain committed to making progress on our sustainability goals with innovative solutions and like-minded partners.

We recognise that sustainability is integral to our long-term business resilience. From creating more stable, long-term relationships with our suppliers and other ecosystem partners, to reducing costs and delivery times with shortened logistics chains as we work to reduce our environmental footprint, and investing in innovative technologies to support the circular economy transition, our commitment to sustainability helps to position SHEIN for the future by creating long-term value for our partners and communities while enhancing our ability to adapt to changing market dynamics and shifts in our macro environment.

To ensure that we focus our efforts where they can have the greatest impact on our business and stakeholders, we conducted a double materiality assessment in 2024. This process aligned our strategies with the nine priorities in our evoluSHEIN roadmap and the most significant environmental, social, and governance (ESG) issues we face.

Our supply chain remains a key priority, and we remain committed to upholding fair and ethical labour practices through the enforcement of our suppliers’ compliance with our stringent standards while also supporting them with training, facility enhancements, and other programmes so that they, in turn, are empowered to improve conditions for their workers. To ensure that

our efforts are relevant to ground realities and actual needs, we focused in 2024 on strengthening our feedback and listening channels for our suppliers and their workers, through the conduct of on-site visits and third-party surveys, as well as promoting greater awareness of our grievance channels and ensuring that we follow through promptly on issues raised.

We also continue to work on mitigating our environmental impact across our operations and value chain; in our decarbonisation journey, I am pleased to update that we have approved near and long-term science-based emissions reduction targets with the Science Based Targets initiative (SBTi), and that the SBTi has verified our net-zero science-based target by 2050. We have been implementing emissions reduction actions, guided by our decarbonisation roadmap, and while we have started to see reductions from our baseline emissions, specifically in our Scope 1 and 2 emissions in 2024, there remains more to be done in scaling these efforts across our value chain, which we are highly committed to.

With progress in our sustainability journey, we have also begun to explore opportunities to contribute to industry-wide efforts. In particular, we see a role for SHEIN to play in supporting the development of a circular textiles ecosystem. Scaling textile-to-textile recycling will be critical to realising this objective, and we have started to work with partners across multiple initiatives, such as our research with Donghua University into polyester recycling technology, as well as partnering with fibre manufacturers to scale production.

To keep us on the right track, we have also strengthened our corporate governance framework, setting a strong foundation for increased oversight and accountability of our work. Key steps we have adopted over the last year include the establishment of the SHEIN Foundation to bring more structure and transparency to our philanthropic donations, as well as the formation of the External ESG Advisory Board, comprising seasoned, independent experts, to provide guidance and advice on our sustainability and social impact strategies. At the heart of SHEIN are our people – the SHEIN employees who embody our values to place our customers first, celebrate diversity, drive results, and



take ownership to drive change; as well as our suppliers, Marketplace sellers, SHEIN X designers, and other partners who through their work with us, also play a part in advancing SHEIN’s mission, our business success, and our sustainability goals.

Thank you for your support as we navigate our journey ahead.

Sky Xu, CEO, SHEIN

About Us

Since its founding in 2012, SHEIN’s mission has been to make the beauty of fashion accessible to all. SHEIN seeks to offer desired fashion and lifestyle products at competitive prices, catering to the diverse needs and preferences of our global customers. We strive to provide every customer with the opportunity and resources to freely express their individuality through fashion, without the constraints of price, geographic location, or restrictions on size or style. Our goal is to ensure customers feel recognised, included, and valued as part of the SHEIN community.

Our Products

Our main product offerings are SHEIN brand and SHEIN-owned sub-brand products<sup>1</sup> (collectively referred to as “SHEIN-branded” products), encompassing women’s, men’s, and children’s apparel, footwear, cosmetics, home and other lifestyle products. Since the launch of SHEIN Marketplace in 2023, we have brought on board a growing number of local and international sellers, ranging from small and medium-sized enterprises to globally recognised brands, significantly expanding the variety of products available to SHEIN customers.

Our Global Footprint

SHEIN currently serves customers in over 160 countries. Our diverse team of over 18,000 SHEIN employees<sup>2</sup> represents more than 30 different nationalities and works across more than 40 offices globally.

Since we do not own or operate any manufacturing facilities, we work with a network of third-party suppliers globally, including in China, Türkiye, and Brazil in 2024, to manufacture SHEIN-branded products. Through SHEIN Marketplace, we are also partnering with a growing ecosystem of international sellers to deliver a greater variety of products to our customers. To reach our customers, SHEIN operates a growing global network of warehousing and logistics facilities.

Our Core Advantage: On-Demand Business Model

SHEIN’s on-demand business model, enabled by our proprietary digital supply chain technology, sets us apart from the traditional, supply-driven business model and is at the heart of our competitive advantage. Instead of predicting trends and customer demand, SHEIN adapts our procurement decisions according to our customers’ preferences and purchases. Starting with small initial batches of about 100 to 200 items per style, we evaluate our customers’ response to these new products and restock only those that are in demand.

This digitalised process to gauge demand and manage supply ensures that we closely align the number and types of products procured from our suppliers with what our customers are looking for, thus minimising inventory waste from unsold items. It also enables us to offer a range of styles to cater to our customers’ diverse preferences. By matching demand and supply more accurately and efficiently, SHEIN is able to save costs at various layers of the business, providing our customers with access to a wide availability of styles at affordable prices.

For more information about our business model, please visit [sheingroup.com](https://sheingroup.com).

>160  
markets served

>40  
offices globally

44%  
women in senior management

>7,200  
contract manufacturers<sup>3</sup>

<sup>1</sup> Refers to sub-brands that SHEIN directly controls. We also license some brands owned by us to external parties and have limited control over the usage of these brands.  
<sup>2</sup> Refers to full-time and part-time employees across all countries directly employed by SHEIN.  
<sup>3</sup> Contract manufacturers are defined as Tier 1 suppliers of finished SHEIN-branded products holding direct procurement contracts with SHEIN entities. As we have started to expand our supply chains in Brazil and Türkiye in recent years with fluidity in the supplier networks, the figure here reflects the number of contract manufacturers in China, representing the majority of suppliers from whom we procured SHEIN-branded products in 2024.



# About This Report

Welcome to our fourth annual Sustainability and Social Impact Report, where we share our ESG goals, progress, and performance metrics for the financial year 2024, spanning from January 1, 2024, to December 31, 2024.

This report provides a comprehensive overview of how our evoluSHEIN roadmap guides our environmental and social impact initiatives, takes stock of our current actions against our targets, and outlines our plans for the future. We also reaffirm our commitment to the Ten Principles of the UN Global Compact (UNCG) and detail our progress in adhering to these principles.

This report includes selected information reported with reference to the Global Reporting Initiative (GRI) 2021 Standard for certain sections, supplemented with additional context provided in our GRI Index. This report is also prepared with reference to European Sustainability Reporting Standards (ESRS) in anticipation of upcoming regulatory reporting expectations in this region. For FY2024, changes in our reporting scope are detailed in the relevant sections. This includes adjustments to our emissions calculation methodology for the 2024 inventory. No notable restatements were made to historical data.

Assurance procedures for selected information have been performed by an external independent assurer in accordance with the International Standard on Assurance Engagements (ISAE) 3000. For more details, please see [page 77](#).

We highly value and welcome your feedback on our Sustainability and Social Impact Report, as this helps us to continuously improve and align our efforts with the needs and expectations of our stakeholders. Any queries and comments can be directed to [esg@sheingroup.com](mailto:esg@sheingroup.com).





Materiality: Identifying Priority Areas

Our materiality assessment serves as a strategic compass to guide our sustainability and social impact initiatives by identifying the issues that our stakeholders assessed to have the most significant impact on our financial performance, and that our operations have on the planet and the communities we serve. By identifying the material issues and their corresponding impacts, risks, and opportunities, we can develop and implement strategies that are aligned with our organisational goals and values, as well as the perspectives and expectations of our key stakeholders.

Assessment Methodology

We conducted a double materiality assessment, developing a process for aggregation and prioritisation to identify the relevant issues that could be material for SHEIN from either an *impact and/or financial perspective*. Materiality is defined as follows:

- Impact perspective:** A topic is considered material if SHEIN’s actions result in actual or potential significant impacts on people or the environment.
- Financial perspective:** A topic is considered material if it is likely to trigger significant financial effects on SHEIN, i.e. generate risks or opportunities that influence or are likely to influence the future cash flows and therefore the enterprise value of the company.

This process was performed with reference to the draft ESRS published in December 2023, using guidance available from EFRAG, and adopting the recommendations outlined in the GRI 3: Material Topics 2021 Standard.

We first benchmarked issues which were material to the industry, considering sustainability reports from peer companies, existing and upcoming ESG-related regulations, news, and media reports on ESG issues, and aligned these with established reporting standards.

To deepen our understanding of key sustainability issues, we sought our stakeholders’ views as part of stakeholder engagement, a critical step in identifying and understanding the sustainability impacts and concerns most relevant to them. We disseminated stakeholder surveys, offered in multiple languages, across a wide range of stakeholder groups (including employees, suppliers, commercial partners, advisers, industry associations, non-governmental organisations (NGOs), and sustainability partners), and conducted in-depth interviews with key stakeholders for quantitative and qualitative insights to ensure that we were able to adequately capture both the breadth and depth of stakeholder perspectives.

These engagements sought stakeholders’ views on the scale, scope, irremediability, and likelihood of SHEIN’s impacts on these issues, as well as the magnitude and likelihood of these issues having positive or negative financial impacts on SHEIN. With these findings, we aggregated and then weighted the scores, taking into account the balance of internal and external stakeholder inputs, as well as the frequency of topic selection. To determine materiality, we established a threshold aligned with SHEIN’s strategic

objectives and stakeholder expectations, informed by our earlier engagement activities. This threshold was applied to the identified impacts, risks, and opportunities, and their associated topics. Sustainability matters were deemed material if they met or exceeded this threshold.

These results were then validated by external consultants, followed by internal stakeholders and senior management.

Outcome

The identified sustainability matters have been classified into four groups: those material from both financial and impact perspectives, those material from only a financial perspective, those material from only an impact perspective, and emerging topics that we will monitor closely. This categorisation allows us to prioritise our efforts and resources, focusing on areas where we can make the most significant positive impact and address the most relevant financial risks and opportunities. Many topics are nonetheless interconnected and will require a holistic approach to minimise associated negative impacts and risks. Thus, while we prioritise the most material topics, we remain committed to monitoring all sustainability matters and will assess their relevance through future materiality assessments, ensuring our sustainability strategy is responsive to evolving ESG trends.

The close alignment between the materiality findings and the priorities in our evoluSHEIN roadmap reaffirms our strategic direction and guides the disclosures presented in this report.

Materiality Assessment Process





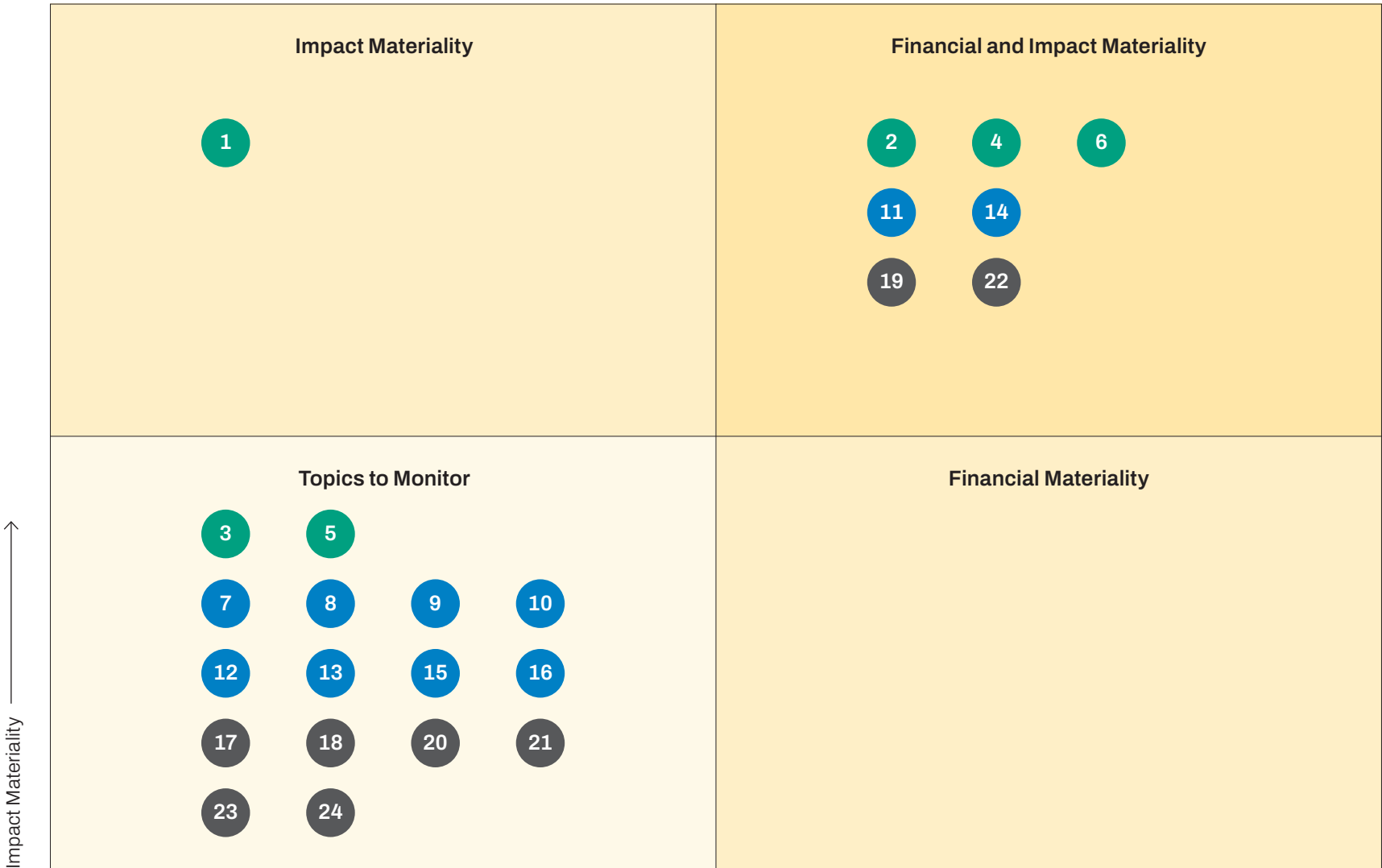
Materiality: Identifying Priority Areas

Impact and Financial Materiality Matrix

No.	Double Material Topics
2	Energy Management and Emissions
4	Waste and Hazardous Materials Management
6	Product Design and Life Cycle Management
11	Labour Practices
14	Product and Service Safety and Quality
19	Compliance
22	Responsible Supply Chain

No.	Impact Material Topics
1	Climate Change

No.	Topics to monitor
3	Water and Wastewater Management
5	Biodiversity
7	Occupational Health and Safety
8	Employee Engagement and Satisfaction
9	Talent Recruitment
10	Talent Retention and Development
12	Customer Satisfaction
13	Selling Practices and Product Labelling
15	Community Relations
16	Accessibility and Affordability of Products
17	Innovation and Technology
18	Business Conduct
20	Corporate Governance
21	Customer Privacy and Data Security
23	Supplier Diversity
24	Business Model Resilience



- Environmental
- Social
- Governance

# Materiality: Identifying Priority Areas

Material Topic	Description
Energy Management and Emissions	This topic refers to SHEIN's energy consumption in our own operations and throughout our value chain, resulting in greenhouse gas (GHG) and air pollutant emissions, as well as our actions to reduce these emissions.
Waste and Hazardous Materials Management	This topic refers to SHEIN's efforts to manage waste generated during the production process, including reducing, reusing, and recycling materials within our own operations and facilities, as well as the safe disposal of hazardous waste that may pose environmental or health risks.
Product Design and Life Cycle Management	This topic refers to SHEIN's efforts to promote sustainability and circularity in the design and production process, as well as end-of-life management of our products.
Labour Practices	This topic refers to SHEIN's efforts to instil ethical labour standards within our workforce, including the prohibition of forced labour, the protection of employees' rights to freedom of association and collective bargaining, respect for human rights, gender equality, inclusion of persons with disabilities, and measures against violence and harassment in the workplace.
Product and Service Safety and Quality	This topic refers to SHEIN's efforts to ensure that the products and services we offer meet our quality standards, including product safety.
Compliance	This topic refers to SHEIN's efforts to comply with all applicable laws and regulations.
Responsible Supply Chain	This topic refers to SHEIN's efforts in promoting ethical and sustainable practices throughout our supply chain. It includes efforts to protect worker rights in the supply chain, such as measures to prevent the use of child or forced labour, violence against and harassment of workers, and to improve working conditions.
Climate Change	This topic refers to how SHEIN may contribute to, and be affected by, climate change through both physical risks (such as extreme weather and rising sea levels) and transition risks, as well as related opportunities. It also covers SHEIN's efforts to mitigate our impact through decarbonisation actions and other measures to reduce the use of virgin resources in the manufacturing of our products.

For more details on the methodology and assumptions of our materiality assessment, and on the material impacts, risks, and opportunities identified, please see [page 93](#).

We will continue to refine our materiality assessment process to align our social and sustainability goals and programmes more closely with our most significant areas of impact, risks, and opportunities. We will update our process periodically to incorporate evolving trends across the industry and within the regulatory landscape, updated stakeholder views, and changes to our business and operations, to maintain its efficacy and relevance over time.



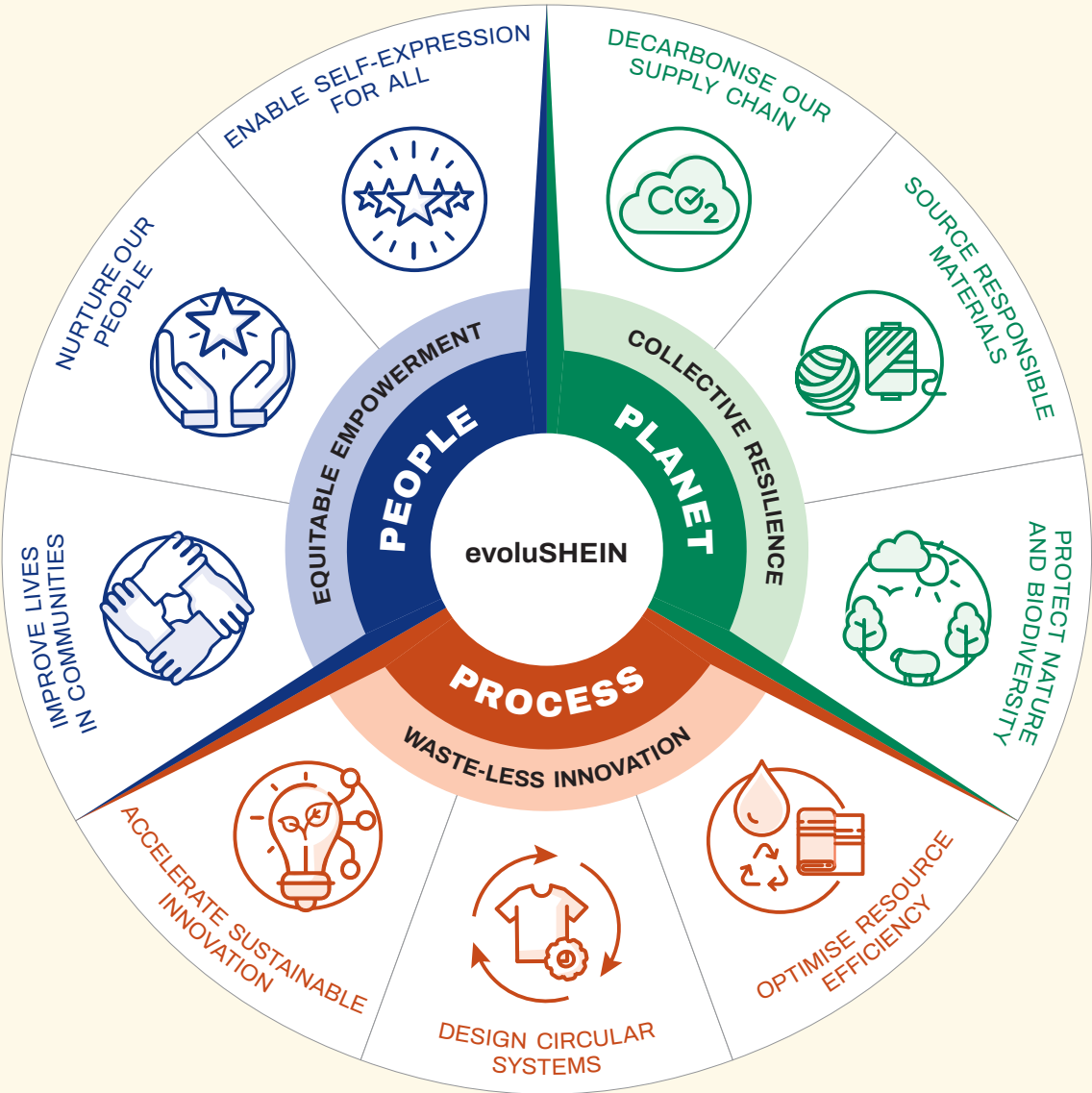


Our Approach: evoluSHEIN

SHEIN’s evoluSHEIN roadmap details three pillars that represent our comprehensive strategy for driving our mission to provide inclusive and affordable fashion for all, regardless of culture, gender, age, body type, ability, or economic status. The three strategic pillars are Equitable Empowerment (People), Collective Resilience (Planet), and Waste-Less Innovation (Process).

With these three pillars, we focus on the most material risks and opportunities for SHEIN and our stakeholders within the ecosystem, and develop strategies to ensure our long-term business resilience. Our sustainability and social impact strategy and initiatives are structured around three key timeframes: short-term, which guides the implementation of initiatives within the year of reporting; medium-term, where we plan for multi-year programmes within a five-year time frame; and long-term, for transformative strategies and roadmaps which will likely take more than five years to bear fruit.

Our evoluSHEIN strategy anchors our commitment to being more responsible for our environmental impact and improving lives in the communities we reach.



Contributions to UN SDGs

SHEIN is a signatory to the UNGC and supports the Ten Principles focused on human rights, labour, the environment, and anti-corruption. We also align our sustainability programmes and initiatives with the United Nations Sustainable Development Goals (SDGs), which help guide our efforts to drive continual progress. The details of our contributions to the SDGs can be found in the Annex (see [page 99](#)).



Further information on how our initiatives contribute to the SDGs is included in the People, Planet, and Process sections of this report.



# ESG Governance Approach

**Strong corporate governance is fundamental to the successful implementation of business strategy. At SHEIN, oversight of material ESG risks and opportunities, as well as the implementation of our evoluSHEIN strategy, starts from the top – with our executive leadership.**

Our Executive Chairman, Donald Tang, and CEO, Sky Xu, are members of the Sustainability Committee of the Board and have oversight over issues such as:

- Supervising the development and execution of SHEIN's ESG policies and strategies.
- Coordinating mitigation strategies and action plans for significant ESG risks.
- Ensuring SHEIN's compliance with applicable ESG laws and regulations.
- Driving progress towards achieving organisational ESG key performance indicators (KPIs) and targets.
- Reviewing the scope and reliability of information disclosed in the annual sustainability and social impact report.

In the second half of 2023, SHEIN established the Board Sustainability Committee, which is intended to comprise directors of the company and representatives from investor groups and other stakeholders. The Board Sustainability Committee meets at least twice a year, and currently includes the following independent members (i.e. members who are not employed by SHEIN): Jiajia Zou, Partner at Hong Shan and Cornelia Gomez, Principal and Global Head of ESG at General Atlantic. Together with our Executive Chairman and CEO, they maintain oversight authority on ESG-related matters, including issues such as global supply chain compliance, forced labour and child labour risks, climate change management, and environmental sustainability.

The specific responsibilities of the Board Sustainability Committee include, among others:

- Providing guidance on SHEIN's overall ESG strategy and management and ensuring our sustainability commitments are integrated into business operations.
- Overseeing and reviewing SHEIN's compliance with adopted ESG policies, strategies, action plans, or other initiatives.
- Evaluating ESG-related risks, incidents, critical concerns, and adverse impacts, and approving necessary remedial actions and mitigation plans.
- Assessing SHEIN's ESG performance and public disclosures in comparison to industry peers and regulatory requirements, and other relevant benchmarks.

In 2024, SHEIN established an External ESG Advisory Board (EEAB), composed of independent expert individuals who specialise in key areas of ESG relevant to SHEIN's business and operations. The EEAB provides input on an advisory basis to SHEIN on emerging trends, risks, and opportunities related to ESG, as well as feedback on our ESG initiatives, policies, and practices. It meets quarterly and currently comprises four members: Balram Gidoomal (Chair), Robin Millington (Vice-Chair), Dr. Xiaohui Liang, and Prof. Dr. Christoph Wolff.



- Balram Gidoomal CBE is an experienced businessman, entrepreneur, and philanthropist, whose experience includes serving as Chairman of CottonConnect and Chairman of the Board of Directors of Traidcraft plc and the London Sustainability Exchange.
- Robin Millington is a specialist on sustainable finance, corporate transition, and supply chains, whose experience includes serving as founding CEO of Planet Tracker, a multiple award-winning sustainable finance think tank, founding Director of Wetlands International, as a Director at the European Climate Foundation, and serving on several boards and advisory councils all related to sustainability transition.
- Dr. Xiaohui Liang is an expert on corporate social responsibility and business and human rights issues in China, whose experience includes serving as the Chief Researcher at the Office for Social Responsibility of the China National Textile and Apparel Council and being an adjunct professor on Business and Human Rights at Peking University Law School.
- Prof. Dr. Christoph Wolff is an executive, board advisor, and investor with a focus on net-zero transformation in mobility and energy industries, whose experience includes being the Global Head of Mobility and Member of the Executive Committee at the World Economic Forum and Managing Director of the European Climate Foundation.

Our commitment to a robust sustainability governance framework is supported by a comprehensive set of internal policies and guidelines that define clear corporate governance standards for our suppliers, Marketplace sellers, and internal teams, to embed environmental and social responsibility into our operations. Our ESG governance begins at the top, with oversight from senior management, and extends to working-level teams focused on dedicated sustainability topics, supported by employees across various relevant functions.

Stakeholder Engagement and Collaboration

SHEIN recognises the importance of collaboration with stakeholders throughout our industry to address the systemic and multifaceted challenges in our industry.

To accelerate our learning and amplify impact, we collaborate with experts and industry peers through several key associations and initiatives including:

- Alignment with the Ten Principles of the UNGC
- Taking action under UNGC's Forward Faster Initiative
- Member of Textile Exchange
- Signatory to Canopy's CanopyStyle and Pack4Good initiatives
- Signatory to the Race to Zero campaign
- Signatory of World Circular Textiles Day
- Signatory of the Microfibre 2030 Commitment, led by The Microfibre Consortium (TMC)

Discover more about our partnerships and actions on our website:  
<https://www.sheingroup.com/our-impact/our-partnerships/>.

We believe that open and transparent dialogue with our stakeholders is essential for understanding their interests, perspectives, and concerns, gathering their feedback on areas where SHEIN's activities have the most significant impact, risks, and opportunities, and ultimately working together to create shared value. We regularly engage with a diverse range of stakeholders, including employees, customers, suppliers, industry partners, local communities, NGOs, trade and industry associations, academic institutions, and government agencies.

With a clear understanding of each stakeholder's influence and interest in our operations, we prioritise dialogue with those who are most significantly impacted by, or those who can significantly impact, our business. In our communications with stakeholders, we strive to make appropriate accommodations to ensure that differences in context, culture, and language are accounted for.

By actively listening to our stakeholders, incorporating their perspectives into our decision-making processes, and collaborating on solutions, we strive to foster strong, mutually beneficial relationships that have a positive impact on the communities in which we operate.

WE SUPPORT



world circular  
textiles day





Stakeholder Engagement and Collaboration

Here are some ways SHEIN engages with our various stakeholder groups:

Stakeholder Group	Stakeholder Connection	Modes of Engagement
Employees	Creating a work environment that supports employee wellbeing and provides opportunities for career advancement	<ul style="list-style-type: none"><li>Daily surveys</li><li>Employee townhalls</li><li>Regular performance and career development reviews</li><li>Whistleblowing channels</li></ul>
Independent Designers, Artists, and Entrepreneurs	Fostering design and artistic talent by providing customer access and brand exposure	<ul style="list-style-type: none"><li>Online focus groups and in-person events</li><li>Training workshops and design competitions</li><li>Regular communications with assigned programme coordinators from SHEIN</li></ul>
Suppliers of SHEIN-Branded Products	Building a resilient and ethical supply chain that prioritises fair labour practices, environmental sustainability, and product quality	<ul style="list-style-type: none"><li>Supplier visits to gather feedback</li><li>Anonymous surveys</li><li>Grievance mechanisms</li><li>Group workshops and one-on-one training sessions</li><li>Automated chatbot for queries</li></ul>
Marketplace Sellers	Creating a safe and fair Marketplace ecosystem that empowers seller success	<ul style="list-style-type: none"><li>1-1 assigned SHEIN manager who provides expert guidance</li><li>Regular updates on case studies, recent market trends, and insights</li><li>In-person events and webinars</li><li>Training workshops, including on topics such as product safety</li></ul>
Customers	Adapting to the evolving needs and preferences of our diverse customer base	<ul style="list-style-type: none"><li>Customer service portal on SHEIN app/website and additional customer feedback channels through social media</li><li>In-market consumer surveys, including on topics such as sustainability and circularity</li></ul>
Commercial Partners and Industry Associations	Collaborating with key partners to drive innovation, explore new opportunities, and address industry challenges	<ul style="list-style-type: none"><li>Regular engagements for knowledge sharing</li><li>Participation in industry events and conferences</li><li>Participation in industry feedback and consultation exercises</li></ul>
NGOs and Academic Institutions	Leveraging expertise and feedback from partners to advance sustainability and social impact goals	<ul style="list-style-type: none"><li>Regular engagements to exchange opinions and provide updates</li><li>Participation in events and conferences</li><li>Project collaborations on identified topics</li></ul>
Governments	Maintaining open and constructive dialogue with government agencies and policymakers to ensure regulatory compliance and constructive contribution to legislative discussions	<ul style="list-style-type: none"><li>Regular engagements to exchange opinions and provide updates</li><li>Engagement at conferences, dialogues, and other events</li><li>Participation in formal policy consultations</li></ul>
Communities	Contributing to local communities through philanthropic initiatives	<ul style="list-style-type: none"><li>Regular engagements to identify community issues and collaboration opportunities</li><li>Participation in community events</li><li>Philanthropic donations to support mutually aligned programmes and activities</li></ul>



PEOPLE



EQUITABLE  
EMPOWERMENT

Why It Matters

SHEIN’s global operations impact many stakeholder groups, including our employees, customers, suppliers, and the local communities in which we operate. We strive to ensure that everyone in the SHEIN ecosystem is positively impacted by what we do and can grow together with us. We are committed to promoting economic advancement for all through our global platform, which enables our suppliers, Marketplace sellers, SHEIN X brand and creative partners—especially those operating independent, small, and medium-sized businesses—to access opportunities and reach customers across more than 160 countries. Our dedication to inclusivity drives us to offer products that cater to diverse customer needs, preferences, and budgets, and to direct our philanthropic efforts towards underserved communities. We also recognise the importance of our employees in shaping our culture and driving the organisation, and seek to maintain a safe, inclusive, and nurturing work environment where they can thrive.



PEOPLE

Our Approach

Our strategic priorities for driving impact are to:



Enable Self-Expression  
for All



Nurture  
Our People



Cultivate an Ethical  
Supplier Network



Improve Lives in  
Communities

Our Targets and Aspirations	2024 Progress
Preferred brand for customer self-expression	<ul style="list-style-type: none"><li>Continued empowering customers to express their individuality through fashion — 4 in 5 customers in our 2024 surveys administered by The Harris Poll stated that SHEIN’s variety allowed them to find clothes that fit their style, and that they wanted to wear repeatedly; 4 in 5 also cited this variety as a key motivator for shopping with SHEIN.</li><li>Continued driving accessibility and affordability, with 64% of respondents in our 2024 Circularity Study finding SHEIN more affordable than other brands.</li></ul>
Top-ranked employer for employee talent	<ul style="list-style-type: none"><li>Invested around US\$2.1 million in employee training and upskilling.</li><li>Organised around 4,500 structured group training sessions for more than 16,000 employees globally.</li></ul>
Preferred brand partner for creative talent collaborations	<ul style="list-style-type: none"><li>Onboarded over 500 new creators onto our SHEIN X programme.</li><li>Paid almost US\$2.6 million in commissions to SHEIN X artists and designers.</li></ul>
Preferred responsible purchasing partner for suppliers	<ul style="list-style-type: none"><li>Paid approximately 99.9% of invoices from contract manufacturers within 30 days from the date of an invoice being raised.</li><li>Conducted 4,288 SHEIN Responsible Sourcing (SRS) on-site audits on existing suppliers and subcontractors in China, including on contract manufacturers representing approximately 95% of SHEIN-branded products by procurement value in 2024.</li><li>Organised 107 group workshops and 1,212 one-on-one training sessions on social and environmental compliance for contract manufacturers and Tier 2 suppliers.</li><li>Upgraded 40 supplier factories covering about 90,000 square metres of workspace.</li><li>Provided financial assistance to families of 236 supplier workers through the SHEIN Spotlight programme, with grants totalling more than US\$185,000.</li></ul>
Responsible corporate citizen that improves lives in the communities we reach	<ul style="list-style-type: none"><li>Established the SHEIN Foundation to guide our philanthropic efforts to foster more inclusive and sustainable communities in places where SHEIN operates.</li><li>Donated over US\$6.4 million to support local organisations driving positive community impact, with a focus on empowering entrepreneurs and designers, promoting women’s empowerment and gender equality, supporting the development of our youth, and alleviating poverty.</li><li>Partnered with six local affiliates of Dress for Success across Italy, Singapore, the UK, and the USA, to support them in providing women with the skills, resources, and the network to build their careers and shape their futures confidently.</li></ul>

# Enable Self-Expression for All

## Putting Customers First

At SHEIN, our customers have always been at the centre of our business. We offer a broad selection of products that cater and appeal to a diverse global customer base, anchored by a firm commitment to inclusivity, ensuring all customers are treated equally, regardless of their socio-economic status, location, body shape, style preferences, culture, gender, or age. Our products and services are accessible in over 160 countries, with our mobile app and e-commerce website available in more than 20 languages, allowing us to connect with our customers wherever they are.

### For All Budgets

We believe that quality and style should be within everyone’s reach, regardless of their economic means or background. Our agile supply chain supports SHEIN’s goal of keeping unsold inventory levels low, and as an e-commerce retailer without physical stores, we achieve significant cost savings. These advantages enable us to offer our customers choice and value at consistently affordable prices. Our SHEIN 2024 Circularity Study<sup>4</sup> found that 64% of surveyed customers regarded SHEIN as more affordable than other brands, with 19% considering it equally affordable. This is further supported by the research conducted on our behalf by The Harris Poll<sup>5</sup>, which found that 93% of Americans and 90% of Britons agreed that clothing does not have to be expensive to deliver long-term value.

### For Every Body Type

We believe that every customer should feel seen, included, and valued. Everyone deserves access to stylish clothing that makes them feel confident and comfortable, regardless of their body shape or size.

SHEIN strives to embed inclusivity in how we design clothes. Rather than just offering extended sizes for our standard collections, we offer several alternative fit collections designed specifically for individuals with less common body types – including our SHEIN Curve, SHEIN Petite, and SHEIN Tall collections. Designers for these collections undergo relevant training in inclusive design, enabling them to create stylish clothing that accommodates a range of sizes and body types. Our mannequin body shapes are regularly adjusted to more accurately reflect the diversity of our customers’ bodies.

To make it easier for our global customers to find the right size, we offer localised size displays and body measurement charts for key markets such as Australia, Brazil, Canada, France, Germany, Italy, Japan, Mexico, Singapore, Spain, the UK, and the USA.

### For Every Style

SHEIN takes pride in offering a vibrant and diverse range of styles, empowering every customer to express their individuality. In our 2024 surveys administered by The Harris Poll, 4 in 5 customers stated that SHEIN’s variety allowed them to find clothes that fit their style and that they wanted to wear repeatedly. Additionally, 4 in 5 customers cited this variety as a key motivator for shopping with us.

To suit every style, our offerings range from vintage and retro-inspired styles under Vintamour and SHEIN Mod, to business-chic designs under MOTF. SHEIN also offers modest yet fashion-forward collections, such as Najma and Modely, with our website and app enabling customers to search for modest styles easily. Additionally, SHEIN offers traditional clothing from several regions, recognising the beauty and importance of celebrating diverse cultural styles and heritage.

## Improving Product Fit

SHEIN regularly reviews and optimises our localised size displays and body measurement charts to better fit the requirements of customers across global markets. By helping our customers find the right clothing fit for their body types, we also improve overall customer satisfaction and reduce customer returns.

In March 2024, for example, we refined the localised size displays for plus-size male clothing in the USA (sizes 1XL and above). As a result, SHEIN was able to reduce the rate of customer returns due to poor fit for these items by around 1.5 percentage points by November 2024.



<sup>4</sup> The SHEIN 2024 Circularity Study was conducted in partnership with Alchemer, a USA-based market research firm, between November and December 2024. The methodology involved surveying 3,568 SHEIN customers aged 18–29 and 30–45 across markets in France, Germany, Italy, Poland, the UK, and the USA.

<sup>5</sup> The Harris Poll conducted online surveys on behalf of SHEIN among adults aged 18 and older in the USA and the UK. The USA surveys took place from June 17-25, 2024 (2,013 respondents), and August 6-8, 2024 (2,091 respondents, of whom 486 are SHEIN customers). The UK survey was conducted from August 22-27, 2024, among 1,016 respondents, of whom 305 are SHEIN customers. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For these studies the total sample data is accurate to within ±2.2 percentage points (June 2024 USA study), ±2.1 percentage points (August 2024 USA study), and ±3.1 percentage points (UK study) using a 95% confidence level.



# Enable Self-Expression for All

## Recognising Customer Voices

We recognise that by actively engaging with our customers and listening to their feedback, we can continuously improve and deliver an exceptional shopping experience.

Customers can contact SHEIN's customer service department through multiple channels, including the online form or live chat function on our website and app's Customer Service portal, as well as on our social media pages. When a customer submits a question or concern, it is directed to an appropriate SHEIN customer service representative, based on factors such as the customer's location and the nature of the issue. We currently provide customer service support in over 20 different languages, enabling us to better serve customers across various regions. We strive to uphold a service standard of providing an initial reply to customers' queries within 24 hours and have achieved this for over 99% of queries received in 2024.

We also track customers' satisfaction with our service responses and products. In 2024, 91% of customers who submitted a review on SHEIN's handling of their service request were satisfied with our response. For product satisfaction, we monitor the global proportion of customers' positive reviews (4 or 5 stars) as well as negative reviews (3 stars or fewer) for each product. In 2024, 97.3% of the product reviews submitted by users globally across all product categories sold on SHEIN were 4 or 5 stars, reflecting strong customer satisfaction with what SHEIN is offering from both our own brands and Marketplace sellers.

By thoroughly analysing these metrics and listening to customer feedback, we aim to refine our products, services, and the overall customer experience. This dedication to understanding our customers helps us meet their evolving needs and ensures that SHEIN remains their preferred choice for fashion and lifestyle needs.

>99%  
of customer queries received in  
2024 replied **within 24 hours.**

97.3%  
of the product reviews  
submitted by users globally  
in 2024 were **4 or 5 stars**



Nurture Our People

We are committed to providing development and career growth opportunities to SHEIN employees across the globe, and to providing a safe, inclusive, and respectful environment for our diverse workforce. We aim to empower our employees by offering essential resources and training for their professional development and advancement, and to support their wellbeing.

Uncovering Diverse Global Talent

SHEIN is a dynamic, young company with a diverse talent pool of over 18,000 employees across more than 20 countries worldwide. We hired more than 5,000 employees from 17 nationalities in 2024, and over 30 different nationalities were represented within our global workforce during the year.<sup>6</sup>

To build a strong talent pipeline, we employ a multichannel recruitment strategy, which includes partnerships with universities and a range of graduate and internship programmes. This approach enables us to identify young talent and create opportunities for them to grow their careers at SHEIN. Employees under 30 make up 44% of our global workforce and comprise 6% of senior management, 15% of middle management<sup>7</sup> and 48% of other employee levels.<sup>8</sup>

More details on the composition of our global workforce are in the tables on the right.

Employee Distribution by Gender

Male	Female	Not Disclosed <sup>9</sup>
Total		
8,080	9,106	1,193
By Employee Type		
Permanent Employees		
8,016	8,993	1,193
Temporary Employees		
64	113	–
By Job Level		
Senior Management		
89	71	10
Middle Management		
849	676	105
Other Employees		
7,142	8,359	1,078

Employee Distribution by Age

Age <30	Age 30-50	Age >50	Not Disclosed <sup>10</sup>
Total			
7,175	8,988	46	2,170
By Employee Type			
Permanent Employees			
7,175	8,988	46	1,993
Temporary Employees			
–	–	–	177
By Job Level			
Senior Management			
10	139	5	16
Middle Management			
229	1,257	7	137
Other Employees			
6,936	7,592	34	2,017

<sup>6</sup> It is not mandatory for SHEIN employees to submit information on their nationality.  
<sup>7</sup> Senior management refers to department heads and above, while middle management comprises other team leaders within departments with supervisory responsibilities.  
<sup>8</sup> The percentages reported for employee split by age group cover permanent employees only, and do not include employees who did not disclose their age to the company; these represent approximately 11% of our total permanent employees globally.  
<sup>9</sup> It is not mandatory for SHEIN employees to submit information on their gender.  
<sup>10</sup> It is not mandatory for SHEIN employees to submit information on their age.



Nurture Our People

Investing in the Growth of Our Employees

At SHEIN, we invest in our employees’ continued growth and development. In 2024, approximately US\$2.1 million was spent on employee training and upskilling through both in-person workshops and online courses made available through SHEIN Academy, our in-house online learning management system which offers flexible learning resources. In 2024, SHEIN organised around 4,500 structured group training sessions for more than 16,000 employees globally, on topics such as strategic thinking, writing, communication, leadership development, as well as specific business and technical skills.

Outside of these structured programmes, employees can also access a wealth of online educational resources on SHEIN Academy to support their learning and self-improvement. In 2024, we expanded the course offerings on SHEIN Academy by partnering with external learning resource platforms, including LinkedIn, Udemy, and goFluent, to offer their courses to SHEIN employees. The most popular topics among SHEIN employees were influence and communication, project management, and foreign languages.

Overall, through both structured and self-guided learning, SHEIN employees clocked more than 133,000 training hours in 2024, with an average of 8 training hours per employee.<sup>11</sup> By fostering a culture of continuous learning and upskilling, SHEIN seeks to enhance the company’s innovative capacity and adaptability, aligning employees’ individual aspirations with the company’s growth.

To support employee well-being, SHEIN offers a comprehensive leave policy that accommodates various life situations, including annual, medical, and family-related leave<sup>12</sup>, in line with local laws and regulations.

SHEIN’s holistic performance appraisal system promotes employee engagement through a regular cycle of objective setting and goal alignment, with twice-yearly reviews that span across teams. Performance-based bonuses are awarded to employees to recognise their contributions, and promotion exercises are carried out twice annually, so that employees with strong performance have more regular opportunities to advance in their careers. In 2024, 5,049 employees worldwide received promotions and corresponding salary adjustments. We also support internal mobility, enabling job transfers following successful interviews and providing our employees with opportunities to explore various career paths that better align with their personal and professional goals.



Over 133,000 training hours total in 2024

8  
training hours  
on average  
per employee

- >115,000 hours  
on technical skills upgrading
- >8,000 hours  
on newcomer orientation and training
- >5,000 hours  
on general professional competencies
- >5,000 hours  
on leadership development



<sup>11</sup> This includes training hours completed by employees who were no longer in service with the company by 31 December 2024. The average number of training hours was computed by dividing the total number of training hours by the total number of employees who underwent training in FY2024.  
<sup>12</sup> All permanent employees are entitled to take family-related leave. The types of family-related leave offered include parental care leave, childcare leave, prenatal check-up leave, paternity leave, maternity leave, marriage leave, breastfeeding leave, and bereavement leave, in line with local laws and regulations.



# Nurture Our People

## Fostering a Culture of Inclusion

With a culturally diverse workforce comprising many nationalities, SHEIN places great importance on creating an inclusive work environment where every team member has a voice and is empowered to contribute their unique perspectives, ensuring a more well-rounded dialogue that drives continuous improvement across the organisation.

### Employee Engagement

SHEIN engages our global workforce through our in-house platform LINK, developed and piloted across several countries in 2023, which gathers employees' feedback about their experience with SHEIN through daily surveys. Employees voluntarily respond to daily questions on topics such as peer and supervisor relationships, performance, corporate culture, work environment, and job satisfaction. Responses are anonymised and aggregated at the team level, then provided to managers with actionable insights to improve employee experiences.

In 2024, SHEIN expanded LINK to cover our permanent employees across all geographies. To raise awareness and drive engagement, we organised introductory briefings on the platform at the department level, as well as for team managers. Over 40% of our employees participated in the daily LINK survey questions, and more than 1.6 million responses were received throughout the year. SHEIN held over 50 workshops for managers worldwide, covering topics such as management style and practices, communication and collaboration, and employee career development.

We also continued to engage our employees through other channels, such as regular townhalls where SHEIN's leadership communicates recent company news and strategic updates for everyone's awareness, and employees have an opportunity to share their feedback and concerns with management. Across our global offices, 32 townhalls were held in 2024.

## Fostering a Culture of Respect

SHEIN is deeply committed to building a work culture and environment where everyone can thrive. Our inclusive talent management system aims to provide learning, development, and advancement opportunities for all, with the principle of equal opportunity firmly embedded in our employment policies.

We believe everyone should feel respected and safe in the workplace, and our **Global Code of Ethics** prohibits any form of harassment or discrimination based on nationality, ethnicity, race, sex, gender, age, location, religion, sexual orientation, political views, physical or mental disability, marital status, or other personal characteristics.

We provide thorough employee training on relevant policies and maintain a global whistleblowing channel for reporting concerns via [ethics@shein.com](mailto:ethics@shein.com). More information on our whistleblowing policies and mechanisms is on [page 73](#).



## Gender Equality

With two of our four co-founders being women, SHEIN has a strong foundation of female leadership and consistently advocates for women in leadership roles. Currently, women comprise approximately 53% of our global workforce, including 44% of senior management, 44% of middle management, and 54% of other employee levels.<sup>13</sup> We strive for fair and inclusive pay practices by ensuring job listings are gender-neutral, conducting regular reviews and analyses of employee compensation by gender, and taking steps to minimise the risk of gender bias in processes that impact employee compensation.

### Disability Inclusion

SHEIN is committed to supporting employees with disabilities by fostering an inclusive environment in our offices. To put this commitment into practice, we have piloted a range of inclusive measures across our offices in Australia, Brazil, Canada, Japan, Singapore, Thailand, Türkiye, and the USA. These include installing ramps for wheelchair users, designating accessible parking spaces near the entrance for those with mobility challenges, offering more flexible work arrangements, restructuring job roles to accommodate the particular challenges and needs of employees with disabilities, and providing resources for mental health support.

<sup>13</sup> The percentages reported for employee split by gender cover permanent employees only, and do not include employees who did not disclose their gender information to the company; these employees represent approximately 7% of our total permanent employees globally.



# Nurture Our People

## Protecting Health and Safety

SHEIN believes that ensuring the safety and health of our employees is key to a productive workforce.

Our Workplace Health and Safety Statement governs all environmental, health, and safety (EHS) practices in SHEIN’s warehouses, distribution centres, supplier facilities, and corporate offices, outlining our EHS approach and stakeholder responsibilities. To ensure workplace health and safety at SHEIN-operated facilities, we implement various risk management measures, including monthly cross-departmental safety inspections, regular safety meetings, and established reporting channels for flagging potential safety hazards.

Across our global warehouses, we continued to implement additional measures in 2024 to enhance the safety and wellbeing of both SHEIN employees and outsourced warehouse staff. This included the publication of EHS guidelines and standard operating procedures, as well as comprehensive training for warehouse managers, safety personnel, and workers.





Nurture Our People

SHEIN Warehouses in China

As of the end of 2024, SHEIN operated 26 warehouse complexes in China. Across all facilities, we continued to build a robust safety culture and implement strengthened policies and programmes to support the health and safety of SHEIN employees and warehouse staff. Key initiatives in 2024 included:

- **Additional processes and policies for higher-risk areas:** We developed new processes and policies, including the “High Lift Operations Guidelines”, “High-Risk Work Permit Management Regulations”, and “Platform Safety Operating Guidelines”, to establish consistency in operations and processes conducted on platforms and at height, providing clear guidance for workers on safe practices.
- **Enhanced employee collaboration:** We established Safety Committees in each warehouse complex, comprising regional business leads, safety officers, and warehouse managers, who meet monthly to discuss health and safety issues that require attention. This initiative promotes employee engagement and supports frontline warehouse managers in enhancing safety awareness and leadership skills.
- **Enhanced EHS responsibility and commitment:** We strengthened EHS accountability by clearly defining roles and responsibilities across all levels. This includes detailed risk maps for warehouses with assigned ownership for ongoing risk management and monitoring. To reinforce this commitment, all warehouse staff and management, formally acknowledged their responsibilities through a signed Safety Responsibility Commitment Letter.
- **Systematic Health and Safety documentation:** We established a systematic Health and Safety documentation repository to serve as a comprehensive source of best practices and standards for implementation in frontline warehousing operations. This repository provides technical safety operation guidelines for frontline warehouse workers and offers health and safety management guidance for the warehouse management team.

These efforts contributed significantly to improvements in our health and safety record. **Lost Time Injury Per Million Hours Worked (i.e. Lost Time Injury Frequency Rate) decreased to 0.849 in 2024, from 6.84 in 2023 and 13.67 in 2022.**



Various risk management measures and interventions have been implemented at SHEIN-operated warehouses globally, including fire safety drills and regular safety inspections.



SHEIN Warehouses in Brazil

In partnership with local third-party logistics providers, SHEIN operates four warehouses in São Paulo, Brazil, which have created over 3,500 indirect jobs. Since we established these warehouses in 2023, our locally hired EHS Manager implemented comprehensive policies and procedures to enhance workplace safety. In 2024, we achieved several notable EHS milestones:

- **New EHS Standard Operating Procedures:** We introduced 28 new EHS management procedures aligned with local laws and regulations. This includes safety guidelines for transportation companies, guidelines for outsourced labour, and a manual for salespeople.
- **EHS training:** We developed a comprehensive EHS onboarding programme for new hires, covering risk awareness, accident prevention, proper handling of carts and packages, emergency procedures, and accident communication protocols. EHS training is also provided for all employees, including temporary and part-time workers.
- **Dedicated safety team:** A safety technician is present on each shift to identify unsafe conditions and behaviours, conduct risk assessments, and assist with operational changes. A safety engineer is on-site during business hours for additional support.
- **Dedicated on-site clinic:** We established an emergency care clinic, staffed by an occupational physician and occupational nursing technicians, ensuring immediate medical attention for warehouse staff.
- **Regular touchpoints with operations:** The EHS team participates in daily operational meetings to share insights on unsafe conditions and behavioural risks. The Daily Safety Dialogue (DDS) routine, where warehouse leaders highlight safety considerations before each shift, ensures ongoing safety awareness across teams.

These initiatives led to significant improvements in our health and safety performance, resulting in a Lost Time Injury Frequency Rate of 0.99 in 2024<sup>14</sup>.

<sup>14</sup> Average year-to-date rate until December 2024; data was tracked beginning from September 2024.



# Cultivate an Ethical Supplier Network

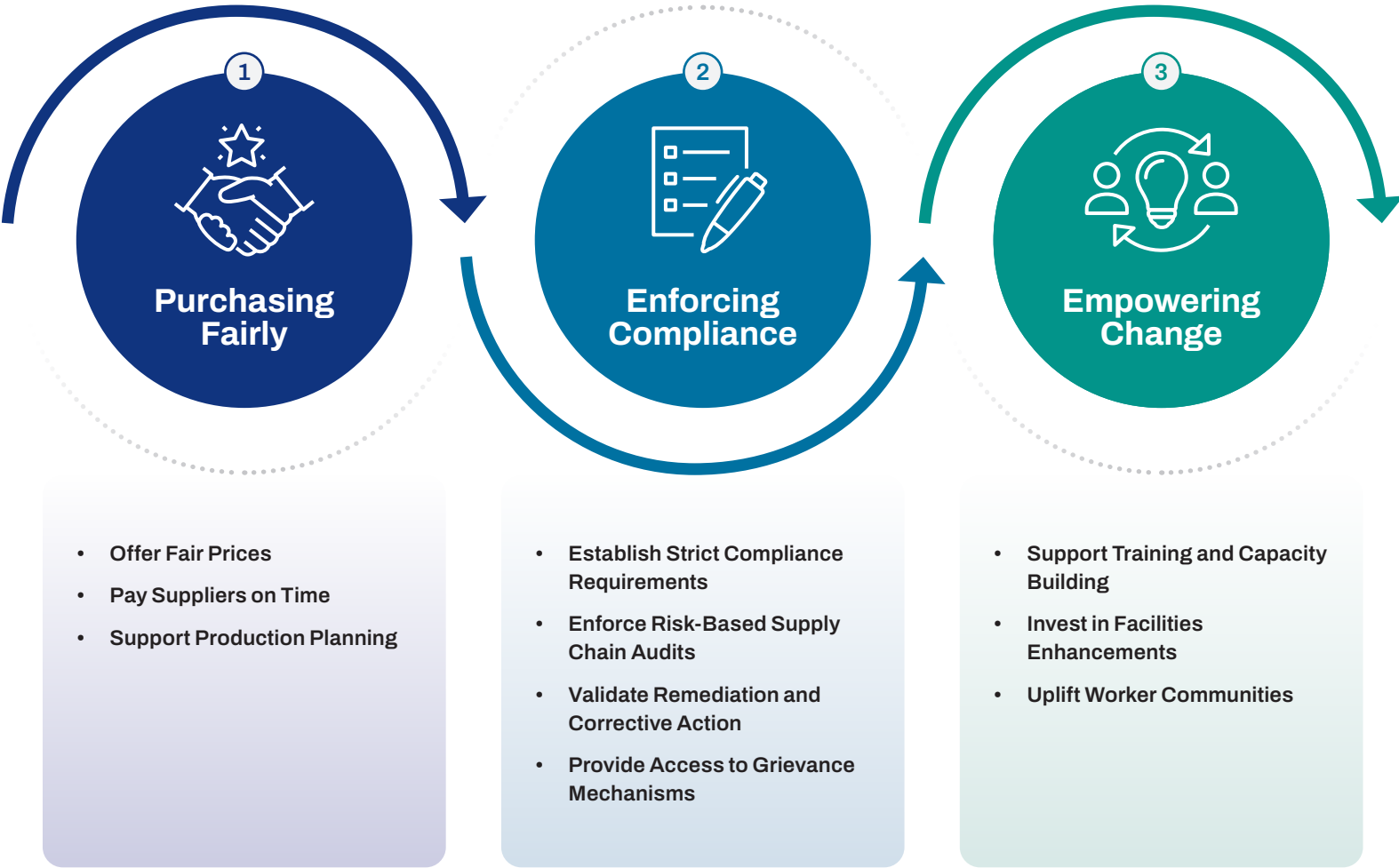
**SHEIN acknowledges the inherent complexity of supply chains and recognises that many components lie beyond our direct control. Nevertheless, we are committed to fostering responsible practices throughout our supply chain network.<sup>15</sup> We actively seek to promote and embed our core principles among our suppliers and partners, working collaboratively to ensure that our values are reflected in operations on the ground. We are committed to conducting our business in a responsible and ethical manner, and to ensuring that people employed across our supply chain are treated lawfully, fairly, and with respect and dignity. By promoting such practices across our supply chain, we are also strengthening SHEIN’s business resilience. We believe that empowered suppliers help maintain the quality of our products and build long-term, stable relationships with us, which in turn reduce the risk of operational disruptions.**

Given the long, complex, and often fragmented global supply chain of the textile and garment industry, we recognise the potential for human rights risks documented by the International Labour Organization (ILO) and other international organisations, which include forced labour, child labour, poor working conditions, and workplace harassment. SHEIN does not own or operate any manufacturing facilities, and neither do we tie our third-party suppliers to exclusive relationships with us. Nonetheless, we recognise our responsibility to support our suppliers in protecting the rights of their workers, particularly as many of them are small- to medium-sized enterprises that may lack the knowledge, systems, and infrastructure needed to advance human rights protections on their own.

We adopt a targeted approach that prioritises the most relevant actions, given the risks and opportunities in our supply chain – ranging from policy development and implementation to compliance enforcement, training, capacity-building measures, and grievance mechanisms.

As a signatory to the UNGC, SHEIN supports the Ten Principles, including those related to human rights, labour rights and anti-corruption. As set out in our Human Rights Policy and Global Code of Ethics, we strictly prohibit the use of forced labour, child labour, and unethical conduct in our business operations. We are committed to working only with suppliers who adhere to our standards in how we do business.

Our approach to supplier management is three-pronged: purchasing fairly, enforcing compliance with our policies, and empowering change.



<sup>15</sup> The supply chain policies and programmes described within this section apply to contract manufacturers and Tier 2 suppliers for SHEIN-branded products. Tier 2 suppliers include, without limitation, suppliers of fabrics, packaging and other accessories for use by contract manufacturers.

# Cultivate an Ethical Supplier Network



## Purchasing Fairly

SHEIN is fully committed to managing our supply chain responsibly and views our suppliers as valuable partners whose collaboration is vital to our success. We are committed to building long-term relationships with our suppliers through responsible purchasing practices, based on mutual respect and fair business terms. This, in turn, helps our suppliers achieve greater stability for their businesses and improves their financial ability to provide better working conditions for their workers.

### Offer Fair Prices

As a buyer, SHEIN is committed to offering our suppliers fair prices informed by industry standards and supported by market research. Our digital system for order management and pricing negotiations promotes transparency and information symmetry between buyer and seller. SHEIN also supports our suppliers by helping them manage costs and improve their margins. For instance, we leverage our scale to pre-negotiate the pricing of materials from key fabric suppliers and provide a listing of these fabrics on a digital fabric library that our contract manufacturers can easily access to directly purchase any fabrics they need. This approach enables our contract manufacturers to keep their fabric costs manageable and enhance their fabric inventory management.

### Pay Suppliers on Time

As a responsible business partner, we are dedicated to ensuring that all our suppliers receive timely payments. All of our contract manufacturers are on invoicing and payment cycles of 30 days, with some even on biweekly or weekly cycles. In 2024, approximately 99.9% of invoices from contract manufacturers were paid within 30 days from the date of the invoice being raised.<sup>16</sup> This approach supports the financial health of the businesses we work with – particularly small and medium-sized enterprises – enabling them to pay their workers on time and invest in facility improvements that enhance working conditions.

### Support Production Planning

With access to our suite of supply chain technology solutions, our suppliers gain visibility into key information, including capacity, inventory levels, and sales performance, which enables them to forecast and plan production more efficiently. SHEIN also provides suppliers with support in preparing for peak periods, including major festivals and events with expected higher order volumes. Ahead of such peak periods, we brief suppliers on planned business orders and conduct refresher training sessions on aspects such as invoicing and payments, inventory management, and the utilisation of SHEIN’s digital systems.

SHEIN engages with our suppliers regularly to understand how we can do better as a business partner across all these dimensions. In 2024, we conducted in-person visits to over 1,950 suppliers located across 89 cities in China, gathering their feedback to improve our commercial and partnership practices. To facilitate communication with our suppliers, we launched a feedback and service portal called “Suppliers Ask,” where suppliers can receive immediate responses to factual business inquiries through an automated chatbot; more complex issues are addressed by our Supplier Relations team. Over 3,400 contract manufacturers utilised this portal in 2024, primarily raising questions on SHEIN’s supplier management policies and systems.

In 2024, SHEIN also participated as a subscriber in the fourth annual ratings cycle of the Better Buying Partnership Index (BBPI), now part of Cascale, which helped us gather valuable feedback from our suppliers on the quality of their business partnership with SHEIN, and how we can further improve as a purchasing partner. Moving forward, SHEIN plans to continue engaging with more of our suppliers through regular surveys and other initiatives to better understand their needs and concerns.



<sup>16</sup> For the remaining 0.1% of cases where there was a delay in invoice payment beyond 30 days, these were primarily due to technical issues such as initial payment attempts being unsuccessful.

# Cultivate an Ethical Supplier Network



## Establish Strict Compliance Requirements

To partner with us, suppliers of SHEIN-branded products<sup>17</sup> must sign and agree to adhere to our **Supplier Code of Conduct (SCoC)**, which has been formulated to generally align with the core conventions of the ILO and the UN Universal Declaration of Human Rights (UDHR). The SCoC outlines several critical requirements aimed at enforcing ethical labour practices, including but not limited to the prohibition of all forms of forced labour and child labour, the restriction of unacceptable practices such as collecting recruitment fees and requiring workers to surrender government-issued identification, and requiring suppliers to seek prior consent from SHEIN before entering into any subcontracting arrangements. The SCoC requires suppliers to operate in full compliance with relevant local laws, rules, governmental orders, and regulatory requirements, including aspects such as payment of wages, working hours, workplace health and safety, labour and social welfare, and environmental standards. Suppliers who sign the SCoC also agree to ensure the continuous compliance of any permitted subcontractors with the rules set out in the SCoC.

Building on the foundation established by the SCoC, SHEIN has developed a comprehensive set of **Supplier Responsibility Standards**, which further detail our expectations of suppliers across various areas, including labour rights, health and safety, environment, ethics, and management practices. Similarly, the standards were developed in alignment with internationally recognised frameworks, including the ILO conventions and the UDHR.

Key requirements on our suppliers include:

- Providing all workers with a written employment agreement in a language they understand, defining the terms and conditions of their employment.
- Prohibiting forced labour and child labour in all forms.
- Adhering to all local laws and regulations governing wages and working hours. This includes ensuring workers are paid at least the local minimum wage, with any overtime compensated at the relevant legally mandated premium rate, and a strict prohibition on the delaying or withholding of workers' wages.
- Providing social benefits in line with local laws and regulations, including medical insurance where applicable.
- Respecting workers' freedom of association and the right to collective bargaining between workers and management.
- Strictly complying with applicable laws and regulations related to environmental protection, and adopting reasonable measures to reduce or mitigate any negative impact of their operations on the environment.

## Enforce Risk-Based Supply Chain Audits

To closely monitor our suppliers' compliance with SHEIN's standards, we have implemented a comprehensive **SHEIN Responsible Sourcing (SRS) Policy** that establishes clear guidelines and accountability measures for any violations.

Under the SRS Policy, all new suppliers are required to undergo an SRS assessment as part of the onboarding process with SHEIN. Suppliers found to have committed any severe violations are not approved to work with us. Existing suppliers are subject to full on-site SRS audits annually, with the frequency and prioritisation determined by a scoping approach that considers multiple factors, such as supplier size in terms of procurement value, supplier location, past SRS audit results, and random sampling.

These audits are conducted without prior notice to ensure an accurate representation of working conditions at the facility. Additionally, we conduct supplementary SRS audits on selected subcontractors to verify that our contract manufacturers are effectively upholding compliance requirements throughout their supply chains, as required in the SCoC.

Suppliers and subcontractors are evaluated using an extensive checklist that measures compliance with our policies. The checklist comprises over 140 audit checkpoints that assess requirements in the SCoC and Supplier Responsibility Standards, categorised into five key issue areas: (i) Transparency and Significant Events (this includes any attempted bribery or refusal to undergo audits); (ii) Labour (this includes violations relating to forced labour, child labour<sup>18</sup>, wages, working hours, and other labour issues); (iii) Health and Safety; (iv) Environmental Protection and Energy Saving; and (v) Management Systems. The assessment process involves interviews with workers and requires supporting documentation, such as payslips and employment records. After the completion of an audit, the auditor's checklist, which includes all corresponding findings and the final assigned score, serves as the audit report. This report is kept on record and shared with the supplier or subcontractor to facilitate necessary remediation and further improvement of their practices.

Failure to cooperate with these audits will result in the termination of the relationship. Monthly updates on SRS audit findings, including remediation and corrective actions taken for severe violations, are submitted to members of our executive leadership, including our Executive Chairman and CEO. This practice ensures continuous high-level oversight of the implementation of our compliance programmes.

<sup>17</sup> These include contract manufacturers, packaging suppliers that SHEIN procures packaging from for use by our contract manufacturers, and fabric suppliers onboarded onto our fabric library.

<sup>18</sup> We define child labour as any person under the age of 15 (or 14 in the case of the exceptions set out in ILO Convention No. 138), under the age of completion of compulsory education or under the minimum age for employment in the country/region, whichever is the highest. This is specified in the SRS Assessment Tool that SRS auditors use. In China, in accordance with local labour laws, minors under the age of 16 cannot be recruited for employment.



Cultivate an Ethical Supplier Network

SRS audits are conducted either by third-party verification agencies or SHEIN’s team of in-house SRS auditors. In 2024, Bureau Veritas, Intertek, Openview, SGS, TÜV Rheinland, and QIMA, all of which are members of the Association of Professional Social Compliance Auditors (APSCA), conducted 87% of our SRS audits on existing suppliers and subcontractors in China. All individual auditors from these firms who conducted SRS audits for SHEIN are also APSCA-certified. More information on our 2024 SRS audits is on [page 28](#).

To reduce audit fatigue and duplication, SHEIN also recognises submissions of reports from industry-accepted social compliance programmes (e.g. Sedex Members Ethical Trade Audit (SMETA), Social Accountability 8000 (SA8000), Amfori Business Social Compliance Initiative (BSCI), Social and Labour Convergence Programme (SLCP), Worldwide Responsible Accredited Production (WRAP)) from suppliers, and generates an SRS audit report based on the findings of these programmes.<sup>19</sup>

SHEIN’s in-house SRS auditors receive training developed by TÜV Rheinland and participate in courses on labour issues, such as anti-forced labour and anti-child labour, through the UNGC Academy and the International Training Centre of the ILO (ITCILO). Many of these in-house SRS auditors are embedded within SHEIN’s business teams to better integrate compliance considerations into how we manage our commercial relationships with suppliers.

Learning from Industry Standards: Collaboration with Worldwide Responsible Accredited Production

SHEIN strives to continually ensure that we enforce our social compliance policies and audits in line with industry standards and best practices. We look to expert third-party organisations for support on this, and in 2024, we worked with the USA-based social compliance organisation, WRAP, to:

- Carry out a gap analysis of SHEIN’s SRS framework against WRAP’s own policies and audit methodologies. Arising from WRAP’s findings, SHEIN further refined our SRS assessment checklist, including (i) strengthening specifications on forced labour indicators to align with ILO definitions, so that auditors have more robust assessment criteria to evaluate compliance from our suppliers; and (ii) strengthening requirements on suppliers to conduct trainings on key compliance issues (e.g. forced labour, discrimination and harassment, grievance handling) to improve their workers’ understanding and awareness of compliance requirements.
- Conduct supplementary training for 29 in-house SRS auditors in October 2024, where our auditors learnt about best practices from WRAP’s own framework and procedures for conducting facility audits.



<sup>19</sup> To ensure validity of findings, we only accept reports from third-party social compliance audits that were conducted no more than nine months prior to the date of the submission of the report to SHEIN.

# Cultivate an Ethical Supplier Network

## Validate Remediation and Corrective Action

Following each audit, suppliers and subcontractors receive a copy of their audit report along with a set of recommendations to remediate and correct their practices, or establish new policies and procedures, in order to meet SHEIN’s requirements and standards.

Suppliers or subcontractors identified as having committed severe violations under our framework – specifically Immediate Termination Violations (ITVs) or Immediate Remediation Violations (IRVs) – and assigned the lowest grade of E, are subject to measures to promptly address severe risk factors within SHEIN’s supply chain.

Under our current SRS Policy, suppliers or subcontractors found to have ITVs face immediate termination of their business relationship with SHEIN.<sup>20</sup> Those identified with IRVs are required to rectify their practices within a strict 30-day timeline or face termination. Suppliers and subcontractors who correct their violations in accordance with SHEIN’s requirements may resume business with us, but are subject to tighter scrutiny. Those who receive a D or E grade are also required to undergo an additional on-site audit within the same 12-month period. SHEIN does not tolerate repeat offences. Suppliers or subcontractors who are given an E grade for two consecutive SRS audits, or rated D or below three times within 24 months, will also be terminated.<sup>21</sup>

In handling violations, SHEIN will strive to maintain a sensible balance between remediation and penalisation. While swift termination is warranted for critical violations that pose severe human rights risks, giving suppliers and subcontractors reasonable opportunities to rectify issues also contributes positively to the broader fashion industry by instilling higher standards among suppliers who work with other industry players as well.

Mindful of the adverse workforce impacts that can result from termination, SHEIN has also introduced clear responsible exit provisions in our SRS Policy, setting out steps to be taken by SHEIN to mitigate any potential negative impact on suppliers’ workers. These include conducting an impact assessment arising from the cessation of the business relationship with SHEIN, ensuring that full payment due to the supplier or subcontractor is remitted to them as promptly as possible, and, where feasible, providing support to displaced workers in securing new employment.



SRS auditors provide suppliers with guidance on how to remediate identified violations and strengthen compliance through continuous improvement and corrective actions.

**Immediate Termination Violations (ITVs):** ITVs are the most serious violations of SHEIN’s compliance requirements, covering issues such as ethics and transparency (including bribery and refusal to cooperate with SRS audits), forced labour and child labour, and harassment or abuse of workers. Upon identifying these violations, we will immediately terminate the business relationship with the supplier or subcontractor.

**Immediate Remediation Violations (IRVs):** IRVs are significant violations that necessitate urgent corrective action for SHEIN to maintain our business relationship with the supplier or subcontractor. These include severe wage violations (i.e. delayed payment of wages and failure to pay minimum wage), workplace health and safety concerns, and serious environmental pollution. Suppliers and subcontractors are given 30 days to address these violations; failure to do so will result in the termination of the business relationship.

Our SRS Policy clearly outlines the types of violations in each category, reflecting our commitment to transparency and accountability. SHEIN periodically reviews these severity classifications to strengthen alignment with industry standards, regulatory requirements and stakeholder expectations

**In 2024, we elevated the classification of harassment or abuse of workers, including gender-based violence and harassment, from an IRV to an ITV, to further strengthen protections for our suppliers’ workers.**

<sup>20</sup> For subcontractor terminations, given that SHEIN does not have any direct contractual relationship with them, we effect the termination by sending the relevant contract manufacturer an official letter stating that the subcontractor is banned from being involved in the production of any items for SHEIN orders.

<sup>21</sup> Suppliers terminated due to any violation of the SRS Policy can only request re-admission 12 months after termination of the business relationship at the earliest. In such circumstances, such suppliers will need to undergo an onboarding SRS assessment once more.



Cultivate an Ethical Supplier Network

2024 SRS Audit Insights

In line with SHEIN’s risk-based sampling approach, 4,288 annual on-site SRS audits were conducted in 2024 on existing suppliers and subcontractors in China. All on-site audits conducted directly by SHEIN’s in-house SRS auditors or partner third-party verification agencies were unannounced.<sup>22</sup>

Annual SRS Audits Conducted



- **87% | 3,752**  
On-site audit by SHEIN's partner third-party verification agencies
- **12% | 510**  
On-site audit by third-party auditors for external social compliance programmes (e.g. SMETA, SA8000, Amfori BSCI, SLCP, WRAP) converted into an SRS audit report based on findings<sup>23</sup>
- **1% | 26**  
On-site audit by in-house SRS auditors

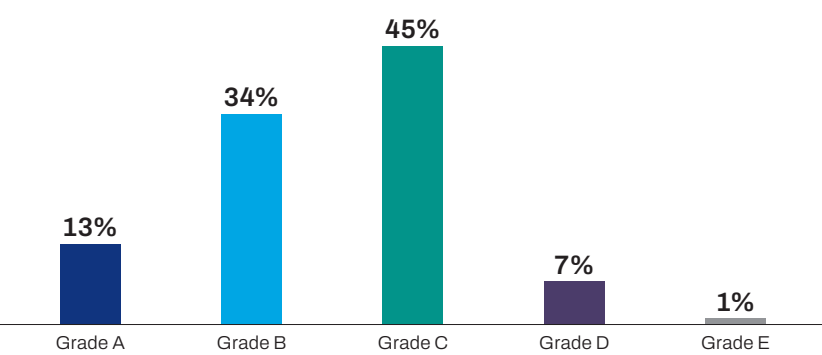
3,574 audits were conducted on 3,192 contract manufacturers, which represented approximately 95% of SHEIN-branded products by procurement value in 2024. The remaining 714 audits were conducted on fabric suppliers, packaging suppliers, and subcontractors associated with our contract manufacturers. These audits covered suppliers representing 83% of the packaging procured by SHEIN for use by our contract manufacturers, as well as 86% of the fabrics procured by our contract manufacturers through our fabric library, based on procurement value in 2024.<sup>24</sup>

We have continued to progressively implement SRS audits in additional supply chain geographies outside of China as well. In 2024, we conducted a total of 287 audits on suppliers and subcontractors in Brazil and Türkiye, of which 91% were carried out by third-party auditors.

Overall Findings<sup>25</sup>

SRS audit performance improved in 2024, with the percentage of audits resulting in an A or B grade for suppliers and subcontractors rising from 29% in 2023 to 47% in 2024. Meanwhile, the proportion of audits with a D or E grade declined from 20% in 2023 to 8% in 2024.

% of Annual SRS Audits by Grade

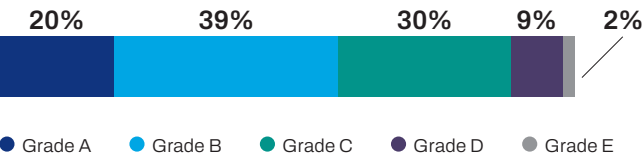


By Supplier Type

Contract Manufacturers



Tier 2 Suppliers & Subcontractors



Key Violations and Action Taken

In 2024, ITVs or IRVs were identified in approximately 1% of SRS audits conducted, including 34 contract manufacturer audits, eight Tier 2 supplier audits, and five subcontractor audits. A total of 49 ITVs and IRVs were identified in 2024, and all have either been remediated within the required timelines or have resulted in the termination of our business relationship with the supplier, in accordance with our SRS Policy.

We terminated 12 business relationships in 2024 due to violations of our SRS Policy, including eight contract manufacturers, two Tier 2 suppliers, and two subcontractors. In line with the responsible exit principles in our SRS Policy, we took steps to disburse full payment of outstanding invoices quickly and assessed the potential negative impact on workers. For all 12 terminations in 2024, it was assessed that workers were at low risk of facing unemployment due to the cessation of the business relationship, due to factors such as SHEIN’s relatively small order volumes with these suppliers and subcontractors, as well as the availability of work in nearby factories.

Reason for Termination	Number of Business Relationships Terminated		
	Contract Manufacturers	Tier 2 Suppliers	Subcontractors
ITV identified	2	–	–
Failure to remediate IRV in 30 days	2	1	1
E grade in two consecutive SRS audits	1	–	–
Three D grades within 24 months	3	1	1

<sup>22</sup> An audit is considered “unannounced” when the supplier involved had not been given any prior notice on the audit date.  
<sup>23</sup> This includes several on-site audits by external social compliance programmes that were conducted in 2023, but only converted into SRS audit reports by SHEIN in 2024, as part of our 2024 auditing cycle. Conversions are made in accordance with SHEIN's internal procedures for external social audit conversion.  
<sup>24</sup> Figures disclosed are calculated based on total procurement value from suppliers in China.  
<sup>25</sup> All detailed 2024 SRS audit findings presented in this report are aggregated from SRS audits conducted in China.

Cultivate an Ethical Supplier Network

Annual SRS Audit Findings

Figures represent the proportion (%) of total annual SRS audits where each violation type was found

	2022	2023	2024
IRV categories			
<b>Co-Located Living/Working Spaces:</b>			
Dormitories are located in the same building as the production workplace or warehouse	4.5	0.4	0.3
<b>Wage Violations:</b>			
Supplier is paying workers under the local minimum wage, or delayed payment of wages to workers	2.3	0.5	0.4
<b>Emergency Exit Violations:</b>			
Presence of locked emergency exits in the workplace, warehouse, or dormitory	2.1	0.3	<0.1
Insufficient emergency exits in the production workshop, warehouse, or dormitory	4.2	0.2	0.2
<b>Workplace Safety Hazards:</b>			
Falling risk, signs of structural damage to the building or other risks to worker safety	0.7	<0.1	<0.1
Charging electric vehicles or their batteries inside the production workshop, warehouse, or dormitory	0.5	<0.1	<0.1
Workers smoking or using open flames in the production workshop or warehouse	2.2	<0.1	<0.1
Direct or flue-type gas water heaters are used in worker dormitories	0.4	<0.1	0.0
<b>Environmental Hazards:</b>			
Illegal disposal of hazardous waste, discharging of untreated wastewater, or discharging of waste gas	<0.1	0.0	0.0
ITV categories			
<b>Age Violation:</b>			
The presence of workers or persons in the workplace under the statutory working age	0.3	<0.1	<0.1
<b>Involuntary Labour:</b>			
All forms of coercion (e.g. requirement to pay deposits to start work, confiscation of workers' documents)	0.1	0.0	0.0
<b>Harassment and Abuse:</b> <sup>26</sup>			
Any forms of violence, harassment or abuse (whether physical, sexual, mental or verbal) against workers, including gender-based violence and harassment	–	–	0.0
<b>Attempted Bribery:</b>			
Offering bribes to SRS evaluators	<0.1	0.0	0.0
<b>Supplier refuses SRS audit</b>	0.2	<0.1	0.0

<sup>26</sup> The severity level for harassment and abuse was raised to ITV since 1 July 2024.



# Cultivate an Ethical Supplier Network

## Child Labour and Forced Labour

No incidents of forced labour were identified during our SRS audits in 2024. However, business relationships with two contract manufacturers were terminated after an underage worker was found in each of their facilities, which is strictly prohibited under SHEIN’s policies and constitutes an ITV. In both isolated incidents, the underage individuals had been working for the respective manufacturers for less than six weeks before SRS audits identified the issues, and immediate remedial actions were taken.

- One case involved a male worker who was 15 years and 3 months old when he commenced work at the factory. When this issue was identified during the SRS audit, SHEIN took immediate action to initiate the supplier termination process, while facilitating steps by the supplier to protect the underage worker, including termination of his employment, payment of outstanding wages, and his safe return home. SHEIN also provided guidance to the supplier on establishing policies against child labour and conducting training for the relevant workers to prevent future occurrences.
- In the other case, the child, aged 11 years and 8 months, was identified in an SRS audit as being present at the factory where her father was working as the general manager and at which her mother also worked. It transpired that she was spending time at the factory during the summer holiday with her parents and had helped with tasks. Nonetheless, and irrespective of these details, SHEIN took the issue extremely seriously, classified the incident as a case of child labour, and immediately terminated the relationship with the supplier.

We remain vigilant in guarding against such violations going forward and will terminate business relationships with any non-compliant suppliers.

## Wages and Working Hours

We saw further improvements in the incidence rate of severe wage violations across our supply chain in 2024. Violations classified as IRVs under our SRS Policy, i.e. delayed wage payments and failure to pay minimum wage, were found in 0.4% of annual SRS audits in 2024, compared to 0.5% in 2023 and 2.3% in 2022. All suppliers found to have such violations, except for two,

remediated their practices within 30 days as required by the SRS Policy, by paying outstanding wages owed to workers, ensuring contracts were signed to guarantee minimum wage, and implementing enhanced wage policies and procedures. The remaining two suppliers, comprising one contract manufacturer and one fabric supplier, failed to undertake the necessary remediation actions to resolve issues of delayed wage payments within the required timelines, and SHEIN terminated our business relationship with them accordingly.

To understand wage levels across our supply chain, SHEIN conducted wage investigations of suppliers located across China in 2022 and 2023, where we analysed samples of monthly average salaries of workers in our suppliers’ factories and benchmarked these against the local minimum wage as well as recognised living wage standards (e.g. by the Global Living Wage Coalition). We seek to continue systematically collecting supplier wage data, with a view to conducting more comprehensive living wage analyses to support our ongoing efforts to improve wages across our supply chain.

We continue to enforce the requirement on our suppliers to comply with local laws and regulations governing working hours, as stipulated in our SCoC. Suppliers are expected to maintain reliable and complete records of all workers’ working hours, and these records are checked during SRS audits to assess compliance with our policies. Excessive working hours remain a challenge across our supplier network, reflecting a broader systemic issue across the global fashion manufacturing sector. SHEIN strives to do our part in tackling this within our own supplier network, and has taken several steps in 2024, including:

- Conducting dedicated training sessions for suppliers, which covered specific and practical topics including drafting working hours policies, maintaining timecard records, preparing payroll records, calculating overtime pay, and implementing strategies to reduce working hours.
- Suspending orders from suppliers with severe overtime issues.

Going forward, we will continue to engage with relevant stakeholders and experts to enhance our approaches and mechanisms. We seek to foster better social dialogue and play our part in facilitating responsible purchasing practices and fairer working conditions for workers across our supply chain.



# Cultivate an Ethical Supplier Network

## Provide Access to Grievance Mechanisms

Rather than relying solely on social audits, SHEIN has also strengthened our enforcement of grievance mechanisms as part of building a more robust, worker-driven compliance approach. Providing access to effective grievance channels empowers workers to raise concerns and seek redress. It supports the uncovering and remediation of potential violations in our supply chain, thus fostering a safer and more equitable work environment.

SHEIN’s Supplier Responsibility Standards require suppliers to implement appropriate, effective, and easy-to-use feedback channels, with at least one channel allowing for anonymous complaints and appeals. These channels must also be made available to all suppliers’ workers in a language they understand. During on-site SRS audits, SRS auditors check that such channels have been adequately established and that workers are aware of how to use them.

In addition to requiring suppliers to establish feedback channels, SHEIN also operates our own multichannel feedback system that enables workers to report concerns directly to us via email, phone, or text. Workers can anonymously submit their concerns, feedback, and suggestions, which will be handled by staff trained to manage and resolve grievance cases effectively. Discrimination against whistleblowers is explicitly prohibited in our policies. SHEIN acts promptly to investigate grievances filed and has established clear internal standards for the time taken to resolve them, in line with our internal procedures for grievance management.

- For complaints on any issues amounting to non-compliance with requirements under our SRS Policy, we aim to agree on a workable solution with the party against whom the grievance is made within seven working days.
- For other grievances and suggestions, we aim to agree on a workable solution with the party against whom the grievance is made within 15 working days.

To raise awareness and accessibility, suppliers of SHEIN-branded products display posters in their factories informing workers of these reporting channels. Additionally, during some supplier audits, our SRS auditors distribute grievance cards to workers, which outline the process for submitting complaints to SHEIN and underscore the protections offered to whistleblowers.

In 2024, 34 grievances were filed by suppliers or their workers through SHEIN’s grievance redressal and whistleblowing channels. Upon receiving these complaints, SHEIN launched investigations and facilitated proper resolution. All grievances filed within the year were resolved, with workable solutions agreed upon by all affected parties. The majority of grievances filed arose from disputes over wages and compensation, and across all these cases, SHEIN’s prompt investigation and facilitation of remediation plans with suppliers and their workers led to the repayment of approximately RMB 180,000 in owed wages to affected workers.

Type of Complaint	Number of Complaints
Wages and Compensation	25
Worker Benefits	4
Commercial Disputes <sup>27</sup>	4
Corruption and Bribery	1

## Resolution of Delayed Wage Payments

On 3 December 2024, SHEIN received a complaint via our WeChat grievance channel from a former worker of a contract manufacturer, alleging that the contract manufacturer owed them and two other former colleagues approximately RMB 70,000 in unpaid wages for the two preceding months. As all three workers were no longer employed by the contract manufacturer, who had also recently relocated its production facility, the workers faced difficulties in resolving this issue directly with the factory manager.

SHEIN immediately contacted the factory manager to emphasise that delaying wage payments was an unacceptable practice and requested that all outstanding wages be repaid promptly to the affected workers. The factory manager was cooperative and explained that an administrative lapse had occurred in accounting for the three workers after they had left the factory, resulting in their wage payments not being processed properly. Through subsequent rounds of follow-up with both the complainant and factory manager on 5 and 6 December 2024, SHEIN successfully facilitated the repayment of all outstanding wages to the affected workers, and advised the supplier to strengthen its payroll practices to prevent similar incidents in future.

<sup>27</sup> These were complaints received from subcontractors about contract manufacturers being in arrears with them on invoice and fee payments. SHEIN similarly stepped in to investigate and help resolve such issues.



Cultivate an Ethical Supplier Network



SHEIN recognises that empowering suppliers and their workers is crucial for driving meaningful change across our supply chain. By combining enforcement with empowerment, we create a framework where suppliers are not only held accountable for compliance but also supported in their efforts to improve standards. This dual approach enables us to uplift suppliers, enhance working conditions, and foster sustainable practices within their communities. Through our Supplier Community Empowerment Program (SCEP), SHEIN has invested more than US\$33 million as of the end of 2024 in initiatives that enhance facilities and provide training, upskilling, and other support to suppliers.

Support Training and Capacity Building

SHEIN recognises that cultural and social differences may exist between our organisational philosophy and that of our suppliers. To ensure that our internal policies are effectively understood and implemented on the ground, SHEIN invests in targeted training programmes to raise suppliers' understanding of our ethical standards and equip them with tools and knowledge to operate responsibly. In 2024, we organised 107 group workshops and 1,212 one-on-one training sessions, with participants from both contract manufacturers and Tier 2 suppliers.<sup>28</sup> These interactive sessions empower suppliers to deepen their understanding of SHEIN's supply chain governance policies, learn best practices for compliance with local labour laws, and identify compliance risks within their own operations. Suppliers are also provided with topic-specific training based on areas of improvement identified through their SRS audits. In 2024, we conducted targeted training for over 70 suppliers on key compliance risks such as child labour, wages and working hours, and fire safety. We also held 45 workshops to educate suppliers on how to develop and implement corrective action plans.

It is equally important for SHEIN's employees to undergo training to build internal capacity and ensure they can effectively support our suppliers. By equipping them with the knowledge and skills needed to understand and enforce compliance standards, we create a culture of shared responsibility and accountability. During the year, SHEIN conducted seven in-house SRS training sessions for 174 employees, including representatives from our sustainability, product, fabrics, and logistics safety teams.<sup>29</sup> The topics covered include health and safety, environmental management, fire prevention and emergency response, living wages, and management of working hours and wages. We also leverage external resources to provide SHEIN employees with training on critical high-risk issues such as forced labour and child labour.

Training through the UNGC and ILO

As of the end of 2024, 47 SHEIN employees completed online courses on forced labour, child labour, and decent work through the UNGC Academy and the ITCILO. These include not only employees directly overseeing supply chain compliance, but also representatives from our product and fabrics teams.

- The courses completed by SHEIN's employees include:
- 1. Advancing decent work in business through the UN Global Compact Labour Principles (UNGC Academy)
  - 2. Combating Forced Labour through Skills and Lifelong Learning (ITCILO)
  - 3. End Child Labour Masterclass (ITCILO)

Invest in Facilities Enhancements

Under the SCEP, SHEIN funds supplier facility upgrades that support improvements in efficiency, worker health and safety, and overall workplace conditions. Since 2023, SHEIN has disbursed more than US\$7.5 million to renovate and upgrade 203 supplier facilities, across more than 500,000 square metres. In 2024, we upgraded 40 supplier factories in line with our model factory standards, covering about 90,000 square metres of workspace.

In addition to production spaces, SHEIN also supports the upgrading of accommodation and lifestyle facilities for suppliers' workers to enhance their wellbeing. Since 2023, we have invested close to US\$280,000 in the construction or upgrading of canteens for workers, and over US\$430,000 in the construction or enhancement of free accommodation options for migrant workers. In total, SHEIN has completed upgrades to canteens and dormitories across 24 supplier facilities, covering more than 13,000 square metres.



<sup>28</sup> Some suppliers attended multiple workshops and training sessions.  
<sup>29</sup> Some employees attended multiple training sessions.

Cultivate an Ethical Supplier Network

Uplift Worker Communities

Through the SCEP, SHEIN also funds other initiatives designed to support workers' welfare and needs beyond the workplace. Recognising that many suppliers' workers need to juggle work and childcare responsibilities, we provide financial support for suppliers to create family-friendly working environments by setting up childcare facilities. Childcare services are offered at no charge to workers at supplier factories, helping to alleviate day-to-day childcare needs. 25 childcare centres were in operation during 2024, benefitting over 1,000 children of suppliers' workers. SHEIN invested approximately US\$320,000 in 2024 to support the operation of these childcare centres. SHEIN also organises summer camps for children aged between five and 15 years during their school break, which offer a range of activities tailored to different interests and age groups. In 2024, over 320 children participated in three summer camps.



25

childcare centres in  
operation in 2024

>1,000

children of suppliers'  
workers benefitted

Under the SHEIN Spotlight programme, we also provide financial assistance to workers of suppliers who are facing economic difficulties, to cover medical expenses, help with school fees for children, and other similar needs. SHEIN Spotlight is presently available to more than 23,000 workers at supplier facilities. Workers simply need to scan a QR code, located at prominent locations around the participating factories, and submit their application via their mobile phones. Applications are reviewed by an internal grant committee, which conducts a thorough, needs-based evaluation to determine the appropriate level of financial support, taking into account factors such as household income and financial requirements.

Since the programme began in 2021, we have distributed approximately US\$648,000, aiding 644 families and 1,329 school-going children. In 2024, we supported 236 families, providing more than US\$185,000 in grants.

~US\$648,000

in grants provided under SHEIN Spotlight since 2021

644

families supported through these grants since 2021

SHEIN Spotlight

The SHEIN Spotlight programme aims to alleviate financial burdens and improve the overall quality of life for our suppliers' workers and their families. One such example is Ms. Liu, a dedicated worker at one of our supplier factories. Ms. Liu has been working at the factory for more than three years and has been the sole breadwinner for her family of five since her husband's medical issues began in 2021. With the added responsibility of funding her husband's medical expenses and her three children's education, she faced significant financial challenges.

In 2022, Ms. Liu learned about SHEIN Spotlight through a poster at her workplace. She has since received approximately RMB 24,000 in grants from the programme over multiple years; support which has eased her financial burden.





# Improve Lives in Communities



**SHEIN is committed to fostering more inclusive communities and sustainable ecosystems in the places where we operate.**

We believe that the SHEIN platform with our global customer reach, digital marketing and analytics tools, and efficient logistics network, can empower small and independent businesses and entrepreneurs, from SHEIN Marketplace sellers and brands to SHEIN X artists and designers, in accessing a larger, international customer base so that they can grow their business more easily.

Additionally, we are firmly committed to giving back to the local communities where we operate. Our SHEIN Cares social impact programme supports global and local organisations and causes in areas where we are well-positioned to create meaningful impact. This is complemented by the SHEIN Foundation, our newly established philanthropic partner.

## SHEIN Marketplace Ecosystem

SHEIN Marketplace supports small and independent businesses by linking them with a global customer base and offering crucial tools for their success. Sellers on our platform can leverage SHEIN's marketing and social media expertise to enhance their brand visibility and expand their digital reach. They can also access performance dashboards that provide real-time insights on market demand, enabling them to make informed and swift business decisions. Additionally, sellers benefit from SHEIN's global logistics network, ensuring efficient order processing. We also provide training sessions and workshops where sellers learn tools and strategies to boost their performance.

We are committed to creating a safe, fair and transparent platform, and have formulated clear and comprehensive rules and guidelines for sellers, in accordance with local laws and regulations. For more information on our governance of Marketplace sellers, please see [page 73](#). To promote good business practices and provide consumers with a variety of high-quality and innovative products, we have developed a comprehensive growth plan for sellers to help them better conduct sales activities on the platform. These growth resources support all aspects of sellers' daily business activities, including digital merchant back-office management, structured business training, logistics, and warehousing resource support. Most of these resources are provided to sellers free of charge.

SHEIN's support and initiatives have helped sellers unlock new growth opportunities and achieve stronger sales performance on our platform. Learn more about some of the thriving businesses in our SHEIN Marketplace ecosystem on the next page.



Improve Lives in Communities

moderna  
& slim

“One of the greatest challenges for a small brand is to conquer credibility and trust,” says Daiane Lopes Dias, co-founder of Moderna & Slim, a rapidly growing fashion label in Brazil. Recently granted ‘Fashion store’ status on SHEIN Marketplace, Daiane feels that SHEIN boosted her brand’s credibility and accelerated its growth in a tough industry. Invited by SHEIN to join our Marketplace for local fashion producers, the company grew from 50 orders a day with three temporary workers to over 2,000 orders daily with a 40-strong staff.

The company attributes their success on SHEIN to three factors. First, the platform’s product performance insights and trend intelligence tools provide real-time insights on best-sellers and inform their product range and pricing. Second, SHEIN’s strong reputation in Brazil, with over 54 million downloads, behind only Instagram and TikTok. “People come to the app expecting a nice purchasing experience, knowing that they’ll get a lot of information and very relevant product suggestions, based on their own tastes,” explains Daiane. Third, the credibility SHEIN offers small brands to reach a wider audience. “Customers stay a bit longer and might spend more. So that’s valuable for small brands like ours when we’re trying to establish a customer base.”



Mia  
cosmetics

Mia Cosmetics, a mid-sized Italian cosmetics firm, joined SHEIN Marketplace in May 2024 to expand their online presence and reach a broader international customer base. As their CEO, Luigi D’Amore, explains, “Partnering with SHEIN allows us to showcase our products to millions of potential customers worldwide, accelerating our growth in the global market.” They began building a B2C e-commerce team upon joining SHEIN, initially targeting the Italian market before expanding to Spain, France, Germany, the Netherlands, and Poland.

Since their integration with SHEIN Marketplace in May 2024 in Italy, and in the following months in other countries, Mia Cosmetics has experienced rapid growth. Joining SHEIN Marketplace facilitated Mia Cosmetics’ digital transformation by providing access to tools such as performance dashboards for real-time market insights. Additionally, Mia Cosmetics leveraged SHEIN’s global distribution network and marketing channels to efficiently expand their brand internationally.

“As a growing cosmetics brand, partnering with SHEIN Marketplace has given us unparalleled access to a global audience and the tools needed to scale efficiently. The platform’s product performance insights and marketing support have helped us expand across Europe. For brands starting out, SHEIN offers an incredible opportunity to reach millions of customers with minimal barriers to entry,” comments Luigi.



CREACIONES  
EUROMODA

“At Creaciones Euromoda, marketplaces are a key pillar to access a wide base of consumers in an affordable way. We appreciate very much the support of the SHEIN Marketplace team, which has provided valuable assistance and guidance to guarantee our success on the platform,” says Fran Sanz, the Sales Director of Creaciones Euromoda.

Creaciones Euromoda, a local home textile manufacturer based in Bocairent, near Valencia, has carved a niche in the Spanish market with its five primary brands: “Naturals”, “Ice Home”, “Sandal”, “CoolKids”, and “Haciendo el Indio”. Within a month of listing on SHEIN, a “Naturals” quilt emerged as the top seller in its category. SHEIN has also swiftly become Creaciones Euromoda’s leading online sales channel, necessitating the dedication of one of its 53 employees exclusively to this venture. In a strategic move to broaden its market footprint, Creaciones Euromoda has launched in three additional European countries in April 2025, aiming to extend its reach beyond its traditional Spanish stronghold.

By joining SHEIN Marketplace, the company significantly expanded its reach thanks to a single, streamlined store covering all major European markets. In addition, competitive shipping fees ensured fast, efficient delivery for consumers, while real-time insights enabled Creaciones Euromoda to adapt to rising demand and export its brand internationally. As Fran notes, “SHEIN Marketplace has our total focus for 2025. At Creaciones Euromoda, we expect to further grow our business and our brand positioning throughout Europe with SHEIN.”





Improve Lives in Communities

SHEIN X

The SHEIN X programme assists independent artists and designers in launching their fashion collections by handling product development, marketing, and logistics. Designers earn commissions on sales and retain the intellectual property rights to their designs. As of the end of 2024, we have worked with over 5,300 artists and designers from more than 20 countries to make their original creations available to global customers. In 2024, over 500 new creators joined our programme. Since 2021, SHEIN has paid out over US\$12 million in commissions to SHEIN X artists and designers, including approximately US\$2.6 million in 2024.

>5,300

artists and designers onboarded onto  
SHEIN X as of end-2024

>US\$12M

in commissions paid out since 2021



SHEIN X designers from Albania, Brazil, France, Italy, Mexico, Türkiye, the UK, and the USA participated in the Global SHEIN X Designers Programme in Singapore in September 2024.



Improve Lives in Communities

Sheila Langton

Based in the UK, Sheila is the creative mind behind EBIB, a brand focused on celebrating our differences and embracing self-love across all backgrounds, identities, and beliefs.

Fashion and design have always been Sheila's passion, but after graduating from university, she struggled to break into the industry and was losing the motivation to create after facing countless rejections. Joining the SHEIN X programme in 2021 gave Sheila a new lease of life in fashion, and she has since not only launched over 60 popular designs on our platform but also had valuable opportunities to travel and interact with fellow talented designers.

Sheila has even become an ambassador for SHEIN X. At Sheila's encouragement, two of her friends who were similarly pursuing a career in fashion but finding it tough to break into traditional circles joined our programme in the summer of 2024, giving them a launchpad to kickstart a promising future in the industry.

*What makes the SHEIN X programme truly special is its commitment to discovering creative talent. They welcome artists from all backgrounds, whether you are experienced or still learning. They provide a space to grow, develop, and refine your skills, no matter where you are in your journey.*

Photo credit: Daniel Modeste

Isela Collado

Mexican designer Isela first got a taste for fashion as a young girl when her grandmother gave her pieces to dress up her dolls with. This sparked a creative journey that culminated in her receiving a degree in fashion and design in Monterrey, Nuevo Leon, and later launching her own brand, Isela Cos.

Isela Cos offers avant-garde but functional garments that fit all body types, aligning strongly with SHEIN's mission of making stylish yet affordable clothing accessible to everyone. Since joining the SHEIN X programme in 2021, Isela has released more than 90 original creations, sharing her artistry with our expanding global customer base. In September 2024, Isela participated in our Global SHEIN X Designers Programme in Singapore, meeting and learning from her fellow designers from all over the world.

*As a designer, I know that reaching international customers takes much more than just a single design. The fact that the SHEIN team manages crucial aspects such as production, marketing, and logistics is a tremendous relief, letting me concentrate on what I love most: creating.*



Improve Lives in Communities

SHEIN Cares

SHEIN strives to give back to the communities in which we operate. SHEIN Cares is our philanthropic commitment to supporting important causes and organisations, and in 2024, we focused on empowering entrepreneurs and designers, promoting women’s empowerment and gender equality, supporting the development of our youth, and alleviating poverty.

In 2024, we donated over US\$6.4 million to support the missions of local organisations, enabling them to serve and positively impact communities around the world.

We are pleased to showcase some of our initiatives across different regions in 2024.

Americas

In 2024, SHEIN donated over US\$1.2 million in support of organisations across the Americas, focusing on youth development and women’s empowerment causes.

1. USA – Boys & Girls Clubs of America

As a national partner of Boys & Girls Clubs of America (BGCA), SHEIN supports the organisation’s vision of preparing young people to become the creators, innovators, and influencers of tomorrow. This year-long partnership spanning various cities, including Washington D.C. and Los Angeles where SHEIN has offices, aims to empower Club youth by offering skill-building opportunities to explore their interests and develop the confidence and skills to be successful in life and in their future career. In August 2024, youth from the West San Gabriel Valley and Eastside club joined our annual SHEIN Summer Picnic, where they participated in team-building activities and taught our SHEIN employees about the Kindness is Free initiative to promote and encourage acts of kindness. That same summer, over 100 SHEIN employees from offices across the USA volunteered their time to pack more than 600 backpacks with essential supplies – from pencils to hygiene products – which were distributed to the BGCA to help ensure students have the resources they need to excel both in and out of the classroom.

In July 2024, SHEIN was an Advocate for Youth Sponsor of the annual Summit for America’s Youth in Washington, D.C., BGCA’s premier youth advocacy event attended by more than 550 Club members. At the Summit, SHEIN employees participated in speed mentoring sessions to introduce the youths to SHEIN leaders, who shared best practices and tools for success in their professional lives.



2. Brazil – Fundação Laço Rosa

In Brazil, SHEIN partners with Fundação Laço Rosa (Pink Ribbon Foundation), a non-profit organisation which works to empower women impacted by breast cancer. Each October, Fundação Laço Rosa lights Brazil’s iconic Christ the Redeemer statue pink to celebrate Breast Cancer Awareness Month, also known as Pink October.

For the past three years, since 2022, SHEIN and Fundação Laço Rosa have worked together to provide essential support and funding for those affected by breast cancer, including organising a mobile mammography service which offers mammograms and ultrasound examinations to women in disadvantaged communities, with around 2,000 examinations conducted in 2024. SHEIN also donated over 30,000 pieces of clothing and accessories to Fundação Laço Rosa’s annual fundraising bazaar, as well as US\$20,000 to support Ponto a Ponto, a three-month sewing and fashion production course offered to breast cancer patients. 26 women participated in Ponto a Ponto in 2024, with the products created by these women planned to be used as SHEIN’s corporate gifts in 2025.



Improve Lives in Communities

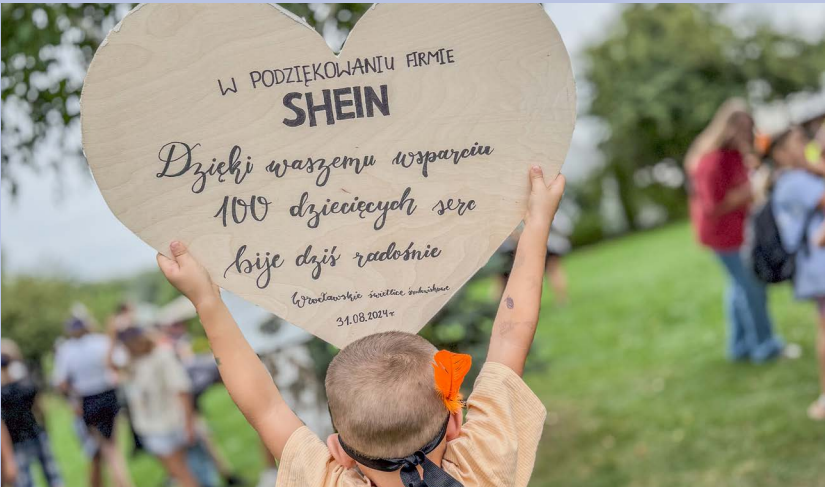
Europe and Middle East

In 2024, SHEIN donated nearly US\$900,000 to organisations in Europe and the Middle East, supporting causes such as the holistic development of youths, nurturing the next generation of fashion talents, and local community initiatives.

1. Poland – Wrocław Children and Youth Development and Activity Centres

SHEIN provided financial support to the Wrocław Children and Youth Development and Activity Centres, a network of community centres that have been offering daycare services to children from diverse social backgrounds for several decades.

SHEIN’s financial support went towards organising special events for the children, providing a fun environment for them to acquire soft skills and grow in their personal journey. During the summer holidays, day camps were organised for approximately 100 primary school children, during which they visited local museums and participated in workshops. In December 2024, a Christmas party was organised for 100 kids and youths from the centres.



2. Türkiye – İstanbul Moda Akademisi Scholarships

In 2024, SHEIN partnered with İstanbul Moda Akademisi, Türkiye’s leading fashion education institution, to offer scholarships to 20 students who are enrolled in the two-year-long “Pattern and Model Development in Fashion Design” programme. Scholarship recipients will also have opportunities to visit SHEIN’s Türkiye office and engage with SHEIN staff to learn about their career journey.

3. Germany – LoveFund powered by SHEIN

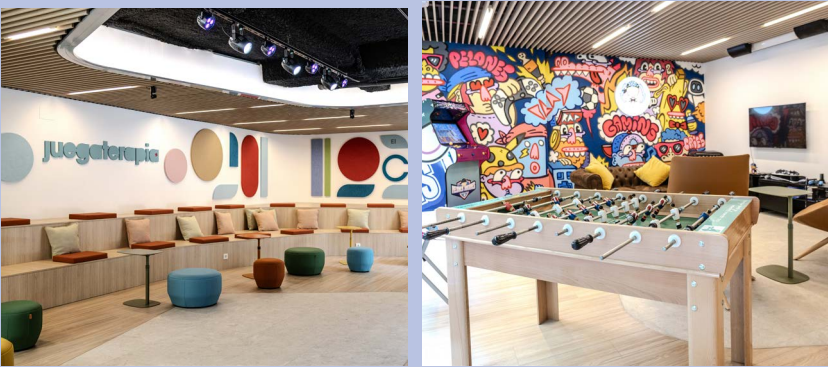
For the second consecutive year, SHEIN collaborated with Radio Energy on the “LoveFund powered by SHEIN” initiative to promote and support local community initiatives across Germany.

Radio Energy listeners and SHEIN customers voted for their favourite non-profit organisations, online and at special SHEIN LoveFund kiosks that toured Berlin, Mülheim an der Ruhr and Sindelfingen. More than 8,000 votes were received, and the winning six non-profit organisations received a €15,000 donation each. These funds will go towards projects across various causes, such as animal welfare, creating inclusive playgrounds for children, and supporting disadvantaged individuals in the community.



4. Spain – Juegaterapia Foundation

SHEIN supported the Juegaterapia Foundation, a non-profit organisation supporting children with cancer, in their creation of Club Juegaterapia, a dedicated hub in central Madrid for young children who have recently been discharged from a period of hospitalisation. Club Juegaterapia offers such children programmes focused on social and emotional rehabilitation through play. SHEIN’s funding also enabled the hiring of a Child Life Specialist – one of the first in Europe – to guide children through therapeutic play. The hub was opened in May 2025.



5. Italy – Fondazione L’Albero della Vita

SHEIN partnered with Fondazione L’Albero della Vita, an organisation dedicated to ensuring the well-being, protection, and education of children, youth, and families in Italy, to support the Imparare a Crescere project. In just six months, over 290 children aged 6 to 14 from highly vulnerable backgrounds and families facing severe economic hardship in Naples took part in educational and social activities, surpassing the project’s original goal of reaching 200 children.



Improve Lives in Communities

Asia-Pacific

SHEIN donated over US\$4.3 million to organisations in Asia in 2024, aligned with our dedication to equitable empowerment and creating opportunities for the communities in which we operate.

1. Singapore – University of the Arts Singapore

In 2023, SHEIN pledged S\$5 million in endowment funding to the University of the Arts Singapore (UAS), Singapore’s first Government-supported private arts university.

As part of our commitment towards nurturing the next generation of creative talents, the funding went towards establishing the SHEIN-UAS bursary, which helps to defray part of the tuition fees and living expenses for students from financially disadvantaged backgrounds. Up to 35 bursaries, each valued at S\$5,000 per academic year, will be awarded annually to eligible students. Additionally, SHEIN will open opportunities for bursary recipients in the form of job attachments, mentorship and employment after graduation.

The first batch of bursary awards was disbursed in 2024 to 24 students, and SHEIN looks forward to continuing to support young talents on their journey to reach their full potential.



2. Singapore – Access Singapore

As part of a two-year collaboration with Access Singapore, a social mobility charity, SHEIN provided S\$350,000 to fund the Access Fellowship Programme (AFP) across 2024 and 2025.

The AFP is a programme designed to equip participants with core skills in areas such as career planning, personal branding, problem-solving, project management, and communication, preparing them for success in their future careers. The inaugural AFP was launched in May 2024, which saw the first batch of participants getting connected with mentors from partner companies, including SHEIN, and participating in a series of masterclasses as well as a capstone project, which allowed them to showcase the skills they had learned.



Humanitarian  
and Disaster Relief

In 2024, SHEIN made donations and supported disaster relief efforts to provide immediate aid to help communities affected by natural disasters.

- In April 2024, SHEIN provided relief grants and secured food supplies to SHEIN employees in Dubai in response to historic, intense rainfall across the UAE.
- In May 2024, SHEIN donated US\$50,000 to Fome de Tudo, an official partner of the United Nations World Food Programme, to provide relief assistance to communities impacted by devastating flooding in the Brazilian state of Rio Grande do Sul. This included initiatives such as improving the quality of life for 24 local family farmers, which benefitted more than 250 families in the Charqueadas region; conducting professional training for 200 youths in the Sapucaia do Sul region, which helped to create job opportunities; supporting over 50 elderly residents in the Canoas region; and an animal adoption drive campaign for over 100 animals in the Novo Hamburgo, Sapiranga and Nova Hartz regions.
- In October 2024, many parts of central Europe were impacted by severe flooding. SHEIN donated US\$100,000 to Kłodzko and Stronie Śląskie in Lower Silesia, Poland, to support rebuilding efforts and provide direct assistance to affected residents.
- In November 2024, SHEIN donated US\$100,000 to the Spanish Red Cross to provide shelter and essential supplies to communities in Valencia, Spain, affected by one of Spain’s most severe floods in decades.
- In December 2024, SHEIN supported the local communities impacted by Hurricane Helene and Hurricane Milton in the USA. Members of the SHEIN team travelled to North Carolina to an area heavily impacted by the hurricanes, and helped to distribute supplies, which included necessities and clothing for families. SHEIN also donated US\$145,000 to organisations providing assistance to affected communities – CityServe, Samaritan’s Purse, and Operation BBQ Relief.

# Improve Lives in Communities

## Dress for Success Partnerships

Dress for Success (DFS) is a not-for-profit organisation that empowers women to achieve economic independence by providing a network of support, professional attire and the development tools to help women thrive in work and in life, with over 100 local affiliates in 17 countries.

As part of SHEIN’s commitment to women’s empowerment causes, SHEIN has partnered with six local affiliates of DFS to support them in providing women with the skills, resources, and the network to build their careers and shape their futures confidently.



### Greater London

SHEIN started our long-standing partnership with DFS Greater London in 2019. Over the years, SHEIN’s collaboration with DFS Greater London has gone beyond providing financial sponsorship. SHEIN has provided stylish interview attire for DFS clients, helping them feel confident for interviews as they embark on their journey to achieve economic independence, as well as hosted makeover and photoshoot sessions for them. SHEIN also continues to support DFS Greater London in their efforts to raise awareness about their mission – SHEIN serves as a sponsor of the annual Power of Women Awards, and the SHEIN team works with DFS Greater London to design engaging window displays at their storefront which are refreshed several times a year, which has attracted greater foot traffic and enhanced their visibility and outreach. SHEIN’s collaboration with DFS Greater London has directly supported over 550 women thus far.

### Indianapolis

SHEIN served as the title sponsor for the Stepping Out in Style fundraising dinner and fashion show, which raised over US\$640,000 to support DFS Indianapolis’s programmes and services. SHEIN also donated over 4,000 pieces of clothing. In 2024, DFS Indianapolis provided over 860 styling appointments, as well as career coaching, mentoring, and ongoing professional development support to women in need.

### Chattanooga

SHEIN’s support helped DFS Chattanooga expand its programmes and create life-changing opportunities for women in the community. Through career services, mentorship, and professional development resources, more women have gained the skills, confidence, and connections needed to take their careers to the next level. This partnership contributed to a significant milestone for DFS Chattanooga, as they served over 173 women in 2024, representing a 275% increase from the previous year.

### Rome

With the support of SHEIN, DFS Rome launched its new multifunctional centre in June 2024, its first community space dedicated to offering training tools and services to women, supporting them on their journey towards economic independence. Beyond providing services such as professional development support, training courses, styling appointments, and career coaching, the centre has also become a space for networking and cultural exchange, where beneficiaries feel welcomed and heard. The new space has helped raise awareness of DFS Rome’s work, allowing them to serve more women, with approximately 150 women being served at the multifunctional centre in 2024.

### Milan

SHEIN’s support allowed DFS Milan to expand its outreach efforts and renovate its Milan office, which will be transformed into a dedicated hub to better serve women in the community. Scheduled to open in May 2025, the new space will allow the organisation to raise awareness, host empowerment initiatives, and reach more women who can benefit from its services – projects that would not have been possible without this collaboration.

### Singapore

In October 2024, SHEIN, DFS Singapore, and students from the Nanyang Academy of Fine Arts (NAFA) collaborated to launch a specially designed capsule collection to help women feel confident as they navigate the daily hustle of work, errands and family responsibilities. Selected pieces from the collection were made available for sale through the SHEIN platform and featured in a SHEIN runway show with female beneficiaries from DFS Singapore modelling the designs. DFS Singapore served 268 women in 2024.



Improve Lives in Communities

SHEIN Foundation

As SHEIN continues to expand our philanthropic efforts, we recognise that consolidating our charitable efforts under a formal philanthropic structure would help bring greater accountability and transparency to our contributions.


In 2024, SHEIN established the SHEIN Foundation, a non-profit organisation and SHEIN's philanthropic partner dedicated to fostering more inclusive and sustainable growth in the communities that SHEIN engages with across our global footprint.

Since its establishment, SHEIN Foundation has committed €5 million to the Africa Collect Textiles Foundation to promote used textile donation and recycling in Kenya and the broader African region. See more details on [page 68](#).




SHEIN Foundation's Focus Areas

The SHEIN Foundation will focus its support on organisations aligned with its charitable purposes which include, in part, the following missions:




### Improving Lives in Communities

Focusing on women, young people and the underserved, to overcome systemic challenges, uplift communities and create more equitable opportunities, for a more inclusive future where everyone can contribute meaningfully and reach their full potential.



### Protecting Biodiversity

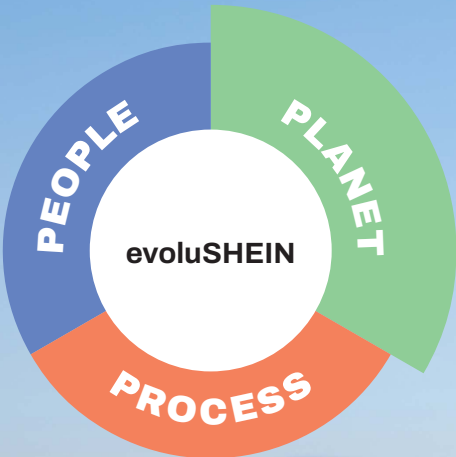
Addressing the challenges of biodiversity and habitat loss arising from climate change by supporting projects and programmes that aim to protect, restore, and promote the sustainable use of terrestrial and marine ecosystems.



### Advancing Sustainable Change

Investing in research and supporting the development and implementation of new innovations and strategies in environmental and social sustainability, to catalyse scalable solutions that aim to accelerate the transition to a more circular and sustainable fashion industry.

PLANET



COLLECTIVE  
RESILIENCE

Why It Matters

Climate resilience is essential for the long-term sustainability and competitiveness of any business. Climate-related risks can have significant impact on supply chain stability, business continuity, and stakeholder trust. At SHEIN, we believe in investing in strategies that address climate change and build collective resilience across our operations and supply chains, to ensure that we can future proof our business and thrive in an increasingly dynamic environment.

Like many companies, we face the complex challenge of decoupling our growth from resource consumption. We are actively working to lower our GHG emissions both within our operations and across our supply chain. As of May 2025, we have approved near- and long-term science-based emissions reduction targets with the SBTi, and the SBTi has verified our net-zero science-based target by 2050.

In addition, we are working on increasing the use of materials with lower carbon and water footprints in SHEIN products, as we seek to reduce our impact on the climate and natural ecosystems. We believe that through SHEIN's innovation-led approach and our cultivation of strategic partnerships, we are well-positioned to help accelerate solutions that can drive lasting change across our industry.



PLANET

Our Approach

Our three strategic priorities for driving impact are to:



Decarbonise  
Our Value Chain



Source Responsible  
Materials



Protect Nature and  
Biodiversity

SHEIN’s decarbonisation initiatives are focused on lowering GHG emissions across all stages of the product life cycle as part of our broader commitment to climate action. Meanwhile, our responsible sourcing practices aim to promote the use of raw materials that are less resource-intensive, whilst encouraging suppliers to adopt manufacturing practices that consume less resources such as water and energy. Finally, SHEIN is also committed to contributing to projects that help conserve natural resources and promote biodiversity.

Our Targets and Aspirations	2024 Progress
Reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030	<ul style="list-style-type: none"><li>Implemented decarbonisation initiatives that led to emissions reductions of 16,582 metric tons of CO<sub>2</sub>e across Scope 1 and Scope 2, as well as 867,721 metric tons of CO<sub>2</sub>e for Scope 3.</li><li>Decreased emissions from our own operations (Scope 1 and 2) by 4.4%.</li><li>Secured approval from the SBTi for our near-term science-based emissions reduction targets. Additionally, we committed to setting long-term emissions reduction targets with the SBTi in line with reaching net-zero by 2050, and submitted these targets for the SBTi’s validation. Our net-zero target was approved by the SBTi in May 2025.</li></ul>
Reduce absolute Scope 3 GHG emissions by 25% by 2030	
Reach net-zero GHG emissions across the value chain by 2050	
Use electricity only from renewable sources for operations directly managed by SHEIN by 2030	<ul style="list-style-type: none"><li>Derived 76% of electricity purchased for our own operations from renewable sources in 2024, up from 72% in 2023.</li></ul>
Source 100% forest-safe viscose <sup>30</sup> and paper-based packaging <sup>31</sup> for SHEIN-branded products by 2025	<ul style="list-style-type: none"><li>Sourced 72.5% of viscose fabrics for SHEIN-branded products from Canopy ‘Green Shirt’ rated producers, marking continued progress from over 60% in 2023.</li><li>Transitioning our sub-brands to forest-safe paper-based packaging, with two of our sub-brands fully using Forest Stewardship Council (FSC)-certified paper-based packaging.</li></ul>
Ensure all packaging sourced for SHEIN-branded products contains 50% preferred materials <sup>32</sup> by 2030	<ul style="list-style-type: none"><li>Increased the proportion of packaging procured that contained at least 50% preferred materials from 16.2% in 2023 to 17.0% in 2024.</li><li>Used express delivery bags made of at least 50% recycled polyethylene (PE) for 50.1% of packages shipped by SHEIN.</li></ul>
Transition 31% of the polyester used for SHEIN-branded products to recycled polyester by 2030	<ul style="list-style-type: none"><li>Used recycled polyester for 6.7% of the polyester sourced for SHEIN-branded products, with 12.1% of this recycled polyester coming from textile-to-textile recycling.</li></ul>
Source 50% of SHEIN-branded products through our evoluSHEIN by Design initiative by 2030	<ul style="list-style-type: none"><li>Produced 8.3% of SHEIN-branded products made with textiles designated by SHEIN in line with our evoluSHEIN Standard.<sup>33</sup></li></ul>

<sup>30</sup> SHEIN currently sources forest-safe viscose from producers awarded a 'Green Shirt' rating in Canopy’s Hot Button Report, indicating low risk of sourcing from Ancient and Endangered Forests (for more information on Ancient and Endangered Forests, please refer to Canopy’s Forest Mapper).

<sup>31</sup> SHEIN currently sources FSC-certified paper-based packaging for forest-safe paper-based packaging.

<sup>32</sup> Preferred materials used for packaging are recycled PE and paper packaging not sourced from Ancient and Endangered Forests.

<sup>33</sup> Details of our evoluSHEIN Standard are on [page 57](#).



# Our Climate Risks and Impact

Climate change is one of the most pressing challenges of our time, with far-reaching implications for the environment and the communities we interact with across our ecosystem. SHEIN is committed to identifying and reducing GHG emissions throughout our operations and value chain activities.

We are exposed to a range of climate-related risks that could significantly affect SHEIN’s business performance and operations, adding to the urgency for us to assess and manage these risks proactively. In 2022, we engaged an external consultant to analyse the strategic impact of such risks on SHEIN over the next five years. Using a data-driven framework model, we modelled the financial implications, expressed as 5-year Earnings Value at Risk (EV@R), under different climate scenarios based on the latest global climate model data and shared socioeconomic pathways.

Below is a summary of the types of risks we are exposed to:

- Physical risks include potential operational disruptions and asset damage due to extreme weather events and long-term shifts in climate. These risks can directly impact our own facility operations, our supply chains, and the availability of raw materials.
- Transition risks arise from various factors such as changes in policy, market dynamics, consumer preferences, and investor sentiment. Policy risks involve increased carbon pricing and regulatory changes, while market risks include shifts in consumer behaviour towards sustainable products, increased scrutiny from investors prioritising low-carbon investments, and potential reputational damage from failing to address climate change adequately.

The risk assessment analysis informs our strategic planning, as well as our adaptation and mitigation plans, helping us to strengthen SHEIN’s resilience to climate change. At the same time, we recognise that climate change presents unique opportunities for innovation, enabling SHEIN to develop and implement solutions that could drive growth.





# Decarbonise Our Value Chain

At SHEIN, we understand the role we have to play within our own operations and across our value chain in adapting to the impacts of climate change by supporting the transition to a low-carbon future.

Addressing climate change will require systemic solutions and partnerships across multiple industries, bringing together governments, businesses, and local communities to transform how products are produced, transported, and consumed. We recognise that achieving our net-zero ambitions will be a complex and long-term challenge, one that will require significant time, resources, and close collaboration. This includes efforts within our own operations, across our value chain, and with like-minded partners who share our commitment and can support us on our journey.

Within this operating context, our climate strategy is guided by the following priorities:

- 1

**Understand our impact:** This involves developing an accurate and comprehensive carbon emissions inventory, as well as understanding the impacts, risks, and opportunities that our emissions profile presents.
- 2

**Set targets and be accountable:** This means formulating clear and credible goals that are both ambitious and pragmatic, and reporting our progress transparently.
- 3

**Achieve and amplify impact:** This means devising a robust strategy and a clear action plan to implement emissions reduction actions based on the potential and scale of impact across our value chain, and leveraging partnerships to scale these actions across our value chain.
- 4

**Advocate for systemic change:** This means engaging, supporting, and collaborating with like-minded stakeholders to enable progress beyond our value chain.

Over the past few years, we have laid a strong foundation focusing on the first two priorities. We started measuring and disclosing carbon emissions across our value chain in 2022, and conducted a climate risk assessment in partnership with Risilience, a SaaS platform provider that works closely with its academic partner, the Centre for Risk Studies at the University of Cambridge Judge Business School, to develop its environmental frameworks. In 2023, we committed to setting near-term emissions reduction targets in line with climate science with the SBTi, and in 2024, we committed to setting science-based emissions reduction targets in line with reaching net-zero by 2050.

We have also undertaken initial emissions reduction actions, which have formed the building blocks for our decarbonisation roadmap that will guide our future progress.

## Our Commitment to Climate Action

Our climate ambition is aligned with the Paris Agreement’s goal of limiting global temperature rise to 1.5°C above pre-industrial levels. Our climate targets, which have been approved by the SBTi in accordance with their criteria and considerations for the 1.5°C emissions pathway, are as follows:

- **Overall Net-Zero Target:**
  - Reach net-zero GHG emissions across the value chain by 2050.
- **Near-Term Targets:**
  - Reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030.^
  - Reduce absolute Scope 3 GHG emissions<sup>34</sup> by 25% by 2030.^
  - Increase active annual sourcing of renewable electricity to 100% by 2030.
- **Long-Term Targets<sup>35</sup>:**
  - Reduce absolute Scope 1 and 2 GHG emissions by 90% by 2050.^
  - Reduce absolute Scope 3 GHG emissions by 90% by 2050.^

^ Targets are from a 2023 base year.

## Our Carbon Footprint

We report our emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. Our GHG emissions inventory (Scopes 1 to 3) for 2024 is independently verified by Bureau Veritas, in accordance with ISO 14064-1:2018 and the GHG Protocol.

As part of our continual efforts to improve the accuracy of our carbon accounting, we have made several adjustments to our emissions calculation methodology for the 2024 inventory. For example, this includes expanding our disclosures of additional Scope 3 categories, in line with improved data availability and the scope of our targets. We have also enhanced data accuracy by integrating and aligning various internal data management systems, enabling our GHG emissions monitoring system to capture actual data directly from operational teams and leading to improved data quality. In addition, we have also optimised the emission factors used to calculate the emissions impact of certain activities. For more information on how we calculate our emissions, please see [page 91](#).

Analysis of our GHG emissions inventory shows that the majority of our emissions continue to occur beyond our direct operations, with nearly all of our carbon footprint attributed to Scope 3 emissions.

<sup>34</sup> In line with SBTi’s requirements, and in conformance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, the scope of the target includes Category 1 (Purchased Goods and Services), Category 3 (Fuel- and Energy-Related Activities), Category 4 (Upstream Transportation and Distribution), Category 5 (Waste Generated in Operations), and Category 12 (End-of-Life Treatment of Sold Products).

<sup>35</sup> In line with SBTi’s Corporate Net Zero Standard criteria, our long-term targets cover at least 90% of our total Scope 3 emissions.

Decarbonise Our Value Chain

GHG Emissions

Category	Description	Base year: 2023 (metric tons CO <sub>2</sub> e)	2024 (metric tons CO <sub>2</sub> e)	% change from base year
Scope 1	Fossil fuel combustion emissions	1,446	2,809	94.3%
	Fugitive emissions	5,107*	1,407	-72.4%
Scope 2	Market-based emissions	25,788	26,695	3.5%
	Location-based emissions	91,505	121,566	32.9%
Scope 1 + Scope 2 (market-based emissions)		32,341	30,911	-4.4%
Scope 3 (under our near-term SBTi targets <sup>36</sup> )		18,122,772	20,443,652	12.8%
Scope 3		21,260,511	26,170,529	23.1%
Total Scope 1 + Scope 2 + Scope 3 GHG Emissions (under our near-term SBTi targets)		18,155,113	20,474,563	12.8%
Total Scope 1 + Scope 2 + Scope 3 GHG Emissions		21,292,851	26,201,440	23.1%

<sup>36</sup> Comprises GHG Protocol Scope 3, Categories 1, 3, 4, 5 and 12.

Scope 3 Emissions (Split by Category)

Category	Description	Base year: 2023* (metric tons CO <sub>2</sub> e)	2024 (metric tons CO <sub>2</sub> e)	% change from base year
Under our SBTi targets				
Category 1: Purchased Goods and Services	Supply chain emissions of SHEIN-branded products and consumables in operations; purchased data services	10,209,730	11,201,419	9.7%
Category 3: Fuel and Energy-Related Activities^	Fuels and energy purchased by SHEIN, not accounted for in Scope 1 or 2	8,940	18,412	106.0%
Category 4: Upstream Transportation and Distribution	Transportation of products to and between SHEIN facilities and to customers, and of returns	7,494,973*	8,519,829	13.7%
Category 5: Waste Generated in Operations	Industrial waste generated in SHEIN-operated warehouses	6,045	8,322	37.7%
Category 11: Use of Sold Products^	Direct energy consumption during use of SHEIN products	2,404,530	4,992,844	107.6%
Category 11: Use of Sold Products^	Indirect energy consumption during use of SHEIN products	634,018	673,837	6.3%
Category 12: End-of-Life Treatment of Sold Products^	Disposal and treatment of SHEIN-branded products at end-of-life	403,085	695,669	72.6%
Not included under our SBTi targets				
Category 2: Capital Goods	Tangible and intangible assets purchased	75,847	33,950	-55.2%
Category 6: Business Travel	Transportation of employees to business-related activities	6,272*	9,304	48.3%
Category 7: Employee Commuting^	Transportation of employees between their homes and workplace	8,075	12,273	52.0%
Category 8: Upstream Leased Assets^	Assets that are leased by SHEIN, but not owned, for use in its operations	8,996	4,669	-48.1%

Note: Categories 9, 10, 13, and 14 have been excluded from disclosure as no activities with relevant climate impact have been identified to date. These categories are periodically reviewed to assess the potential emergence of relevant emissions. Category 15 emissions are currently being refined as part of our ongoing efforts to enhance methodological robustness. We are working with third-party experts to refine our approach and ensure alignment with industry best practices.

\* In 2024, we updated our emission calculation methodology which has led to recalculations of our historical emissions. Please see [page 91](#) for our GHG accounting scope and methodology.  
^ These emissions are being reported for the first time in 2024.



# Decarbonise Our Value Chain

## Our Decarbonisation Roadmap

In 2024, with the support of Anthesis Group, we developed a decarbonisation roadmap to guide our progress towards our near- and long-term emissions reduction targets. Through this process, we identified priority decarbonisation actions, focusing on areas with potential for greater emissions reduction impact, and evaluated them based on their technical, operational, and financial feasibility. This assessment considered SHEIN's business activities and future growth plans, current and projected market availability of solutions, and the evolving landscape and impact of global and national decarbonisation commitments and regulations, among other factors. The emissions reduction impact and feasibility analyses were conducted on a best-efforts basis using the information available at the time of the study, and may require periodic updates to account for changes in technological advances, business priorities, legislation or other national decarbonisation commitments, and industry decarbonisation efforts.

Our priority actions aim to reduce: (1) direct emissions within own operations, i.e. from SHEIN-operated offices and warehouses<sup>37</sup>, and emissions from our electricity purchases and (2) indirect emissions across our entire value chain beyond our own operations, which depend on our collaboration with our suppliers and other value chain partners.

Across these priority actions, we implemented several key initiatives in 2024 that led to estimated emissions reductions of 16,582 metric tons of CO<sub>2</sub>e across Scope 1 and Scope 2, as well as 867,721 metric tons of CO<sub>2</sub>e for Scope 3, compared to estimated emissions reductions of 556,664 metric tons of CO<sub>2</sub>e in 2023 across Scopes 1 to 3.

### Scope 1 and 2 – In Our Own Operations

Our Scope 1 and 2 emissions are mainly linked to electricity usage in SHEIN-operated offices, warehouses, and logistics centres. In 2024, SHEIN's total electricity consumption across our globally managed operations was 243,340 MWh<sup>38</sup>, which was a 47% increase from 165,206 MWh in 2023.

To reduce our Scope 1 and 2 emissions, we are focusing on the following priority actions:

#### 1. Transition to Renewable Energy

Source 100% of the electricity used in operations directly managed by SHEIN from renewable sources by 2030. To do so, we will increase on-site electricity production through on-site solar photovoltaic installations at SHEIN-operated offices, warehouses, and other facilities, and the purchase of high-integrity Energy Attribute Certificates (EACs).<sup>39</sup> Where we procure EACs, we ensure that renewable energy from the EACs obtained is generated in the same market boundary as the consuming facility.<sup>40</sup>

#### 2024 Progress:

- 76% of the electricity purchased for our own operations was derived from renewable sources, up from 72% in 2023. This includes 170,200 MWh from EACs. We also increased our on-site electricity production from solar energy, with 56.3 MW of capacity coming from solar photovoltaic installations installed or under installation across 10 of our facilities – a 29% increase in capacity compared to 2023. In 2024, we consumed 15,105 MWh of solar energy, corresponding to an estimated reduction of 8,106 metric tons of CO<sub>2</sub>e.

#### 2. Improve Energy Efficiency

Refine our energy consumption monitoring and implement measures to optimise energy consumption across SHEIN-managed offices, warehouses, and other facilities globally.

#### 2024 Progress:

- We implemented energy efficiency measures<sup>41</sup> across 23 SHEIN-operated facilities in China, that are estimated to reduce approximately 23,000 MWh of electricity use annually, corresponding to over 13,000 metric tons of CO<sub>2</sub>e annually. The estimated CO<sub>2</sub>e reduction for 2024 was 5,820 metric tons.

#### 3. Phase out Fossil Fuels and Reduce Fugitive Emissions

Gradually eliminate the use of fossil fuels, such as natural gas, and fuel-powered vehicles and equipment in our own operations by transitioning to electric vehicles for owned business vehicles and equipment, such as forklifts. We also seek to reduce fugitive emissions, for instance, by switching to fire suppression systems with a lower global warming potential.

#### 2024 Progress:

- Since 2023, we have been progressively replacing traditional heptafluoropropane fire extinguishers with IG-541 or dry powder extinguishers, which have 99% lower emissions. In 2024, we replaced nine sets across nine facilities, corresponding to an estimated reduction of 2,656 metric tons of CO<sub>2</sub>e.

<sup>37</sup> This refers to all facilities under direct management of SHEIN globally, i.e. SHEIN-operated facilities.  
<sup>38</sup> This includes specific facilities where we were unable to track electricity consumption, for which the electricity consumption of other similar facilities was used as a proxy.  
<sup>39</sup> The EACs procured comprise International Renewable Energy Certificates (I-RECs), Renewable Energy Certificates (RECs), and Guarantees of Origin (GOs).  
<sup>40</sup> These certificates can also only be tracked and redeemed, retired, or cancelled by or on behalf of SHEIN.  
<sup>41</sup> Examples of such measures include switching to more energy-efficient lightbulbs as well as the implementation of timed lighting and air conditioning systems.

Decarbonise Our Value Chain

Transitioning Towards Lower-Impact Warehouses

In 2024, SHEIN rolled out a series of effective energy-saving actions for one of our warehouses in Foshan, China, which included:

- **Intelligent energy management systems:** By deploying advanced energy management systems and leveraging smart meters for automatic and precise electricity data collection, this system acts as a ‘smart housekeeper’, providing real-time insights into energy consumption across warehouse operations. With data analytics capabilities, it detects and flags abnormal fluctuations in electricity usage, allowing staff to quickly respond to and investigate the issue, thereby effectively mitigating safety hazards and inadvertent energy waste.
- **Energy-saving air conditioning systems:** Older single-functional and energy-intensive cooling units were replaced with newer models equipped with intelligent energy-saving systems that dynamically adjust the water valve opening and air supply fan frequency based on return air temperature, ensuring a constant and comfortable indoor temperature while significantly reducing energy consumption. Intelligent control technology also allows for automatic and precise adjustments of operating frequencies based on preset load and unload temperature thresholds. A study conducted on employee comfort and energy consumption has led to the development of operational rules, whereby air conditioning is turned on only when certain environmental conditions are met. In addition to energy savings from the cooling process, the installation of these intelligent air conditioning systems also provides operational cost savings.

- **More energy-efficient lighting:** The warehouse progressively replaced existing 18W light bulbs (which were found to have relatively short lifespans of one year) with longer-life span 9W light bulbs, which could last up to four years – this not only reduced electricity usage but also the frequency of bulb replacements, resulting in less waste.
- **More energy-efficient air handling units:** Each warehouse building has been equipped with approximately three air handling units. Previously, the older units operated with fixed settings – only providing basic on/off functionality, with the water valve locked at 100% open, unable to adjust to variations in return air temperature. The newly implemented energy-saving system enables dynamic adjustments to both the fan speed and water valve opening, based on real-time return air temperature, thereby improving energy efficiency.

Through the above actions, SHEIN’s Foshan warehouse achieved a significant reduction in energy consumption compared to the same period last year, with an estimated annual electricity savings of 5.5% (1,121.9 MWh), providing a strong model for the transition of other SHEIN-operated warehouses.



Intelligent energy management systems enable our warehouse staff to track energy consumption, mitigate safety hazards, and reduce inadvertent energy waste.



The use of more energy-efficient lighting helps to reduce electricity consumption and the frequency of bulb replacements at our warehouses.



Decarbonise Our Value Chain

Scope 3 – In Our Value Chain

To achieve the most impact, we are primarily focused on reducing emissions in areas where we have the largest emissions, i.e. Category 1 (Purchased Goods and Services) and Category 4 (Upstream Transportation and Distribution), which accounted for approximately 96% of our emissions under our near-term targets in 2024.

Category 1 – Making Our Products

Across the life cycle of our products, the largest proportion of emissions can be attributed to the production phase—during raw material production, fabric and garment production, and packaging production. Our actions to reduce this category of emissions are as follows:

1. Minimise the Use of Virgin Materials and Transition to Lower-Impact Alternatives

By reducing the amount of virgin materials used in garment and packaging production and switching to alternatives with lower carbon footprints than conventional or status quo options, we can decrease the emissions associated with our product manufacturing. We have set ourselves targets to transition towards lower-impact materials such as recycled polyester, and to increase the proportion of recycled materials used in our product and delivery packaging.

2024 Progress:

For our materials transition progress in 2024, please see [page 55](#).

2. Promote Lower-Impact Manufacturing Processes

We firmly believe in supporting our suppliers along their decarbonisation journeys, which will also help mitigate our Scope 3 emissions. By engaging with our network of SHEIN-branded product suppliers, this opens up opportunities for collaboration and education on decarbonisation efforts. Primarily, we focus on (1) encouraging our suppliers to transition to renewable energy, and (2) working with our suppliers to improve their manufacturing processes to reduce their carbon footprint.

2024 Progress:

- We continued to promote the adoption of rooftop solar energy in our supply chain by connecting suppliers with third-party expert consultants who support the suppliers in developing custom solar PV installation plans, and by providing cash incentives to support installations. As of the end of 2024, approximately 114 MW of solar capacity was installed or under installation across 114 supplier sites. During the year, these supplier factories consumed 53,583 MWh of solar energy, resulting in an estimated reduction of 28,752 metric tons of CO<sub>2</sub>e.<sup>42</sup>
- We focused on identifying opportunities for fabric production factories to enhance resource efficiency. The implementation of such measures<sup>43</sup>, rolled out across eight fabric production factories, led to estimated annual savings of 10,870 MWh of electricity, 194,000 m<sup>3</sup> of natural gas and 73,600 tonnes of steam, equivalent to an 8.1% reduction in carbon emissions or 36,000 metric tons of CO<sub>2</sub>e annually.
- We continued to promote and expand the adoption of energy-saving practices across our supplier network. Nearly 80 of our suppliers have adopted measures<sup>44</sup> in line with our standardised energy efficiency guidelines, resulting in an estimated 2,302 MWh of electricity saved annually, corresponding to a reduction in carbon emissions of approximately 1,391 metric tons of CO<sub>2</sub>e annually.



<sup>42</sup> The photovoltaic electricity usage data was collected over the course of the projects, reflecting 12 months of consumption at the supplier’s factory. The data covers two periods: the 12 months ending October 2024 and the 12 months ending December 2024.  
<sup>43</sup> Examples of these measures include the installation of energy-saving and water-saving dyeing machines, introducing differentiated temperature controls for the stenter tail boxes, and upgrading the automatic weighing and conveying system for dyes and chemicals.  
<sup>44</sup> Examples of such measures include insulation of steam pipes, use of motion-sensor lights in non-operational areas, energy-saving steam traps, replacement of outdated steam traps, zoning control of lighting switches, addition of signage, and replacement of traditional lamps with energy-saving lights.

Decarbonise Our Value Chain

Category 4 – Transporting Our Products

Efficient transportation and distribution of our products is critical to our business to ensure that our products reach our customers on time. Like many online retailers, a significant portion of our emissions can be attributed to the transportation and distribution of our products to customers. To reduce our transportation and distribution emissions, we will focus on the following actions:

1. Reduce Transportation Distances

This includes optimising our global logistics network and route planning to promote the greater use of land, sea, or multimodal routes, thereby reducing the need for air freight. In addition, we are working to produce, package, and ship closer to our customers, with the aim of lowering emissions, delivery times, and shipping costs.

2024 Progress:

- By optimising air routes and switching to trucking for shorter routes, we were able to optimise air freight, and increase the use of sea freight and trucking. This shift resulted in an estimated reduction of approximately 502,273 metric tons of CO<sub>2</sub>e.



We reviewed the size, design, and materials used in transportation packaging for air freight, optimising volumes transported per flight.

2. Improve Transport Efficiency

In transporting our products, we seek to do so with a smaller carbon footprint, including by using of lower-emission transport alternatives, such as electric or hybrid vehicles, and by improving load and packaging efficiency, which maximises single-load capacity and reduces the number of loads required.

2024 Progress:

- We continued to expand the use of lower-emission transport alternatives, such as low-fuel-consumption vehicles, resulting in 14,151 metric tons of CO<sub>2</sub>e saved.
- To improve packaging efficiency, we reviewed the size, design, and materials used for transportation packaging during air freight, including switching paper boxes to recycled burlap bags, resulting in 143,924 metric tons of CO<sub>2</sub>e saved.
- We also worked with our logistics providers to eliminate the need for cardboard pallets in cargo loading for road transport, resulting in 7,826 metric tons of CO<sub>2</sub>e saved.

The 2024 initiatives aimed at managing our transportation and distribution emissions have resulted in an estimated total carbon reduction of

668,800

metric tons of CO<sub>2</sub>e,

as certified by the independent verification agency, SGS, in accordance with ISO 14064 – 2.

Charging Ahead with Electrification

In 2024, in line with efforts to decarbonise our logistics network, SHEIN worked with our logistics partners, to develop a new 9.6-metre electric vehicle (EV) solution to replace conventional diesel trucks. The new EV model optimises energy efficiency, modular integration, and human-machine interfaces to provide a safe and reliable driving experience. Battery solutions have also been optimised for both performance and safety.

SHEIN plans to deploy more than 130 of these new EVs for warehousing and logistics operations within China in 2025. This is estimated to be able to achieve an annual reduction of nearly 10,000 metric tons of CO<sub>2</sub>e and cost savings of 20% to 30%, compared to traditional diesel trucks.

We look forward to continuing to work with more partners to explore how to best leverage cutting-edge technologies, such as hydrogen-powered heavy-duty trucks or autonomous vehicles, to support the transition to a greener logistics network.





Decarbonise Our Value Chain

Other Opportunities

Beyond focusing on areas where most of our emissions lie, our decarbonisation roadmap also includes the following actions:

1. Minimise and Manage Our Waste:

Within our own operations, we are working to minimise waste by creating closed-loop systems that recycle resources back into the system, reducing the need for new resources.

We have updated our SHEIN Industrial Waste Management Guidelines, which apply to all sites under our direct management, including offices, distribution warehouses, and SHEIN’s Centre of Innovation for Garment Manufacturing (CIGM). These guidelines require the classification, recycling, weighing, and record-keeping of all industrial waste, as well as the documentation of downstream recycling operations and the redirection of all non-recyclable waste towards energy recovery or non-hazardous treatment processes. In addition, the guidelines set out requirements and procedures for the treatment and management of industrial waste at each stage of the process.

2024 Progress:

In 2024, we generated 52,128 metric tons of industrial waste across our own operations.<sup>45</sup> Building on last year’s industrial waste-recycling pilots, we developed standardised waste recycling and management measures, which were implemented across all 33 SHEIN-operated warehouses in China and the CIGM in 2024, resulting in an overall recycling rate of 95%.<sup>46</sup>

2. Promote Circularity Among Our Customers:

Our customers play a critical role in extending the use of our products for as long as possible. To encourage our customers to engage in circular behaviour, we have launched initiatives such as SHEIN Exchange, a peer-to-peer resale platform, and continue to promote customer engagement content to raise awareness about the importance of the circular transition (see [page 65](#) for more details).

<sup>45</sup> All warehouses in China and the CIGM.

<sup>46</sup> Based on weight of waste.

Industrial Waste Management Across Own Operations in 2024

Category	Weight (t)	Proportion of total industrial waste	Disposal
Cardboard and paper	38,183.5	73.2%	Recycling
Plastic (Polypropylene, Polyethylene, Expanded Polyethylene, PET bottles)	11,084.0	21.3%	Recycling
Textile waste (Recycled)	398.1	0.8%	Recycling
Textile waste (Reused)	223.9	0.4%	Reuse
Others	7.7	0.0%	Reuse
Energy recovery from waste	2,230.8	4.3%	Waste-to-energy

Zero Waste to Landfill

Our commitment to reducing as much of our generated waste as possible is exemplified in our efforts to ensure that more SHEIN-operated facilities are certified Zero Waste to Landfill, which means that almost all waste is reduced, reused, recycled, or converted into energy.

In 2024, we achieved Zero Waste to Landfill Management System certification by TÜV Rheinland for our CIGM and four SHEIN-operated warehouses in China, bringing the total number of certified SHEIN-operated facilities to seven.



Decarbonise Our Value Chain

Summary of Decarbonisation Initiatives and Emissions Reductions in 2024

Decarbonisation initiatives	Key actions	2024 emissions reduction (metric tons of CO <sub>2</sub> e)
Scope 1 & 2 Emissions: Across self-operated facilities		
Scope 1: Reduction in fugitive emissions	<ul style="list-style-type: none"><li>Replaced nine sets of traditional heptafluoropropane fire extinguishers with IG-541 sets across nine facilities.</li></ul>	2,656
Scope 2: Rooftop solar at sites	<ul style="list-style-type: none"><li>56.3 MW of capacity installed or under installation across 10 facilities, consuming 15,105 MWh of electricity.</li></ul>	8,106
Scope 2: Energy efficiency improvements	<ul style="list-style-type: none"><li>Implemented energy efficiency improvement measures across 23 facilities in 2024.</li></ul>	5,820
Scope 3 Emissions: Across value chain		
Category 1: Decarbonisation measures across purchased goods and services	<ul style="list-style-type: none"><li>Implemented initiatives to reduce carbon emissions from suppliers and manufacturing processes.</li><li>Increased the proportion of recycled materials used in product and delivery packaging.</li></ul>	198,921
Category 4: Green logistics and transportation measures	<ul style="list-style-type: none"><li>Optimised air routes and switched to trucking for shorter routes.</li><li>Used lower-emission transport alternatives, like fuel-efficient vehicles.</li><li>Enhanced packaging efficiency and removed cardboard pallets in road transport.</li></ul>	668,800





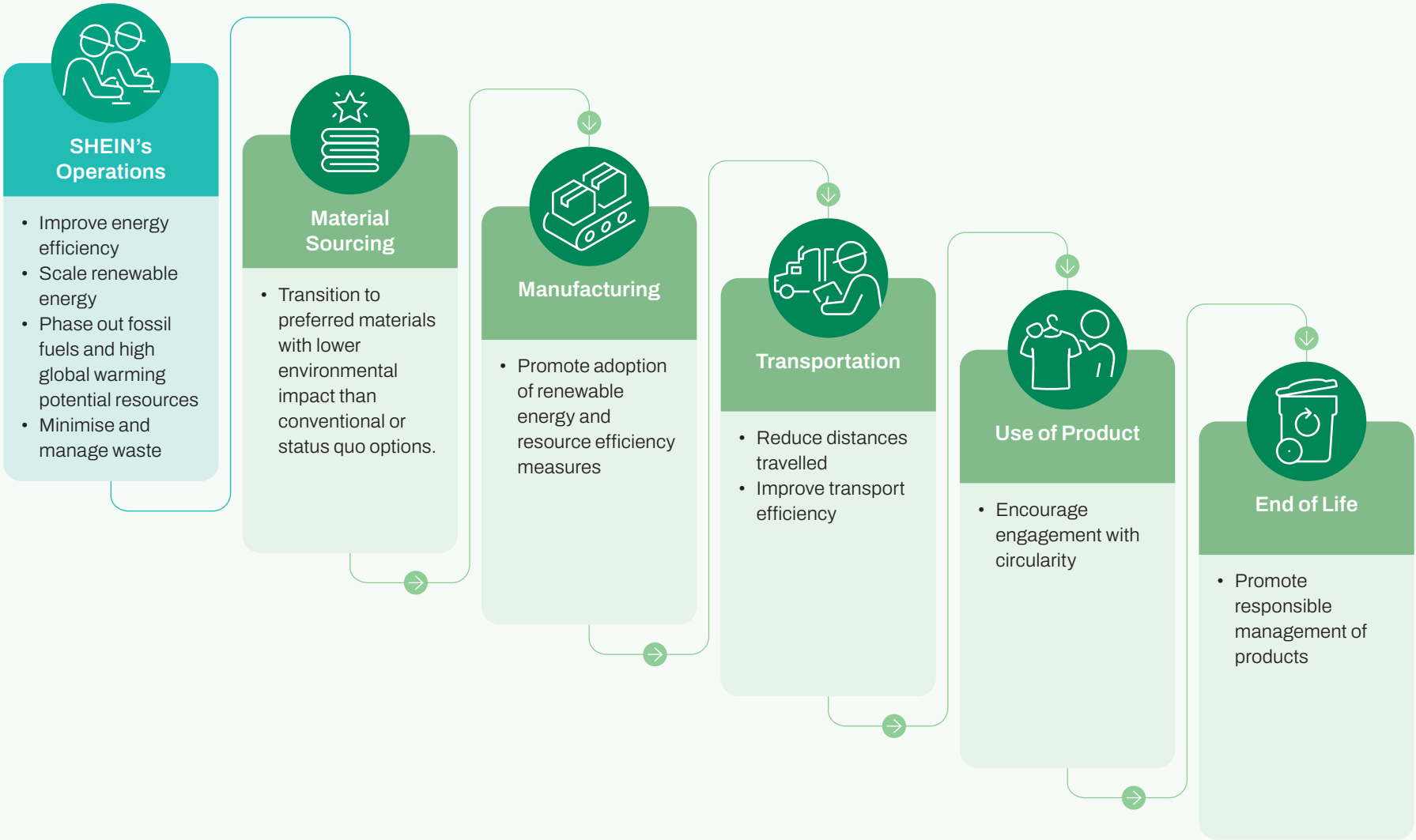
Decarbonise Our Value Chain

Our Decarbonisation Journey Ahead

As we look towards our net-zero target, we recognise the need not only to scale these priority actions across our entire value chain but also to collaborate with partners to advance technological innovations and systemic change. To approach net-zero, we seek to focus on longer-term investments that can support the commercial availability of textile-to-textile recycled materials, more carbon-efficient transportation modes, greater adoption of circular business models, and the exploration of diversified carbon removal solutions.

We believe that there is great potential for SHEIN to catalyse collective action across our ecosystem, including with our suppliers and value chain partners. We are continuing to work on our climate transition plan towards our near-term and long-term emissions reduction targets. Through transparent and open dialogue, collaborative partnerships, and an industry-wide commitment, we believe that we can leverage innovation to develop scalable and sustainable solutions and have an outsized impact, while remaining agile and resilient in the face of uncertainties and challenges we meet, as we progress on the road to net-zero.

SHEIN’s decarbonisation strategy considers the entire life cycle of a SHEIN product and identifies carbon reduction opportunities at every stage.



# Source Responsible Materials

Sourcing responsible materials involves selecting materials for our products that have a lower environmental impact, in terms of their carbon, water, land use, and chemical footprints, while also meeting performance and quality requirements. We are dedicated to increasing our use of materials that fulfil these dual objectives within our materials portfolio.

For more information on our processes, systems, and standards for product quality and safety, please see [page 74](#).

## Our Preferred Materials Approach

SHEIN is a member of Textile Exchange, a global non-profit organisation driving beneficial impacts on climate and nature across the fashion, textile, and apparel industry. We use their guidance in implementing our preferred materials strategy, to select materials with improved environmental and/or social sustainability outcomes and impact.

Our preferred materials strategy focuses on two key objectives:

- 1. Minimising the use of virgin materials:** We seek to reduce our use of virgin materials by sourcing recycled alternatives with a lower environmental impact compared to conventional or status quo options, setting ourselves the following targets:

a. Transition 31% of polyester used in SHEIN-branded products to recycled polyester by 2030.

b. Ensure all packaging sourced for SHEIN-branded products contains 50% preferred materials by 2030.<sup>47</sup>
- 2. Conservation-friendly sourcing:** We work to avoid sourcing materials from areas of high conservation value. As signatories of the CanopyStyle and Pack4Good initiatives led by Canopy, a non-profit organisation dedicated to protecting the world’s forests, biodiversity, and climate, we have committed to transitioning our sourcing of man-made cellulosic fibres (MMCFs) and paper-based packaging for SHEIN-branded products away from Ancient and Endangered Forests by 2025.

### SHEIN’s Materials Portfolio<sup>48</sup>

	2023	2024
Polyester	75.7%	81.5%
Cotton	9.9%	6.7%
Viscose	8.0%	4.6%
Spandex	3.6%	3.7%
Polyamide	2.4%	3.3%
Other fibre categories (including linen, acrylic, and metallics)	0.3%	0.2%

Note: Figures may not add up to 100% due to rounding.

### Polyester

Globally, polyester continues to dominate the fibre market, and it similarly forms a significant proportion of our materials portfolio. Polyester has favourable attributes, such as high strength and durability, wrinkle resistance, quick-dry performance, and price affordability. However, we recognise the environmental challenges associated with virgin fossil-based polyester. This is why the transition to recycled polyester is an important part of our evoluSHEIN roadmap.

The vast majority of recycled polyester materials available today are made from post-consumer PET bottles. SHEIN believes that the more sustainable pathway for recycled polyester is to support the scaling of recycled polyester made from textile waste, in order to create a truly closed-loop alternative. We are working hard to ramp up textile-to-textile recycling capacities to accelerate this transition, in collaboration with ecosystem partners. See [page 70](#) for our efforts in textile-to-textile recycled polyester.

In 2024, 6.7% of polyester directly sourced for SHEIN-branded products was recycled polyester, of which 12.1% was textile-to-textile recycled polyester. We will continue working towards our target to transition at least 31% of the polyester used in SHEIN-branded products to recycled polyester by 2030, with a particular focus on recycled polyester made from textile waste.

### Man-Made Cellulosic Fibres

MMCFs such as viscose, modal, lyocell, and acetate are made from the extraction of wood pulp or “cellulose” from trees, which poses risks of deforestation and forest exploitation if not sourced responsibly. As a CanopyStyle signatory, SHEIN is committed to ensuring that, by 2025, all directly sourced viscose used in SHEIN-branded products comes from producers that do not use wood from Ancient and Endangered Forests.

In line with these commitments, SHEIN has been increasing our use of viscose that has a low risk of being sourced from Ancient and Endangered Forests, by requiring all MMCFs in fabrics utilised for SHEIN-branded products to be sourced from producers that have achieved a ‘Green Shirt’ assessment in Canopy’s annual Hot Button Report.

In 2024, 72.5% of viscose fabrics directly sourced for SHEIN-branded products were from ‘Green Shirt’ rated producers, making continued progress from over 60% in 2023.

For example, we continued to use Lenzing TENCEL™ Modal fabrics, which are made from wood sourced from controlled or certified origins meeting FSC or Programme for the Endorsement of Forest Certification (PEFC) standards, following the stringent guidelines of the Lenzing Wood and Pulp Policy. In its 2024 ranking, Canopy recognised Lenzing for its commitment to protecting Ancient and Endangered Forests; Lenzing obtained a “dark green shirt” rating from Canopy’s Hot Button Report, confirming its leading role in the areas of sustainability and responsible wood and pulp sourcing.

In addition, we are working to increase our use of lower-impact Next Gen MMCF alternatives, such as those made using waste textiles or agricultural residues in place of traditional wood-based feedstock, to reduce the sourcing dependence on forest ecosystems.

<sup>47</sup> Preferred materials used for packaging are recycled PE and paper packaging not sourced from Ancient and Endangered Forests (for more information on Ancient and Endangered Forests, please refer to Canopy’s **Forest Mapper**).

<sup>48</sup> This chart provides the breakdown by weight of fibres which constitute the textiles designated by SHEIN for use by contract manufacturers.

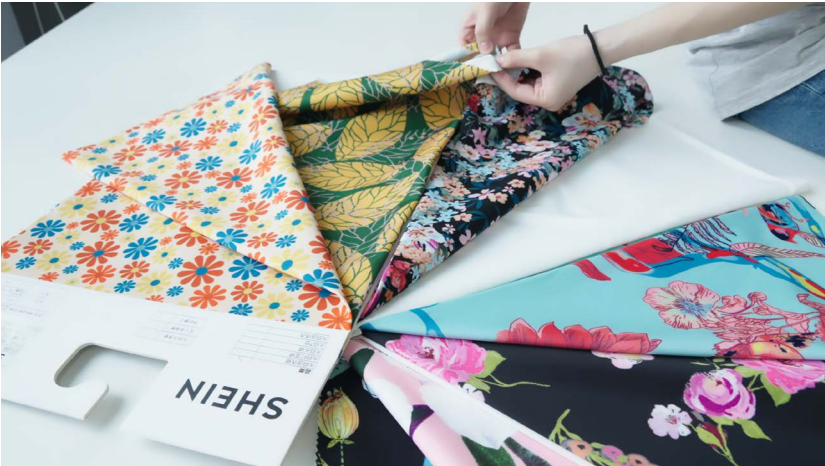


# Source Responsible Materials

In 2024, SHEIN partnered with Yibin Grace, a fibre producer in China that received a “dark green shirt” rating from Canopy’s Hot Button Report, to co-develop fabrics utilising a Next Gen MMCF made from a 50-50 blend of recycled cotton waste and FSC-certified wood pulp, Regracell®. Through this collaboration, SHEIN also involved our other ecosystem partners, such as our SHEIN X designers, who provided feedback on material requirements for their designs, and our fabric suppliers, who helped to refine the optimal fibre composition, to ensure that the fabrics meet our quality standards. The Regracell® material was then utilised as part of a special evoluSHEIN by Design collection, launched in collaboration with Brazilian pop superstar Anitta, which generated greater visibility for the use and development of this innovative MMCF.

## Cotton

Cotton is one of the most widely used materials, since it is strong, breathable, and natural. However, conventional cotton production can be chemically intensive and pollutive due to the pesticides and fertilisers that may be used to improve yield. In 2024, we piloted collections which incorporated denim containing recycled cotton<sup>49</sup>, and organic cotton for kidswear.



## Rescued Materials

The fashion industry has traditionally been known for overstocking and overproduction, resulting in large quantities of fabric, often referred to as deadstock, left unused in warehouses at the end of the season. Through our partnership with Aloqia, a Software as a Service (SaaS) platform for optimising and reducing excess inventory (formerly Queen of Raw), we were able to incorporate surplus materials from their ecosystem into our products, rescuing high-quality existing materials and reducing the need for new resources. For more information on our efforts to utilise rescued materials, please see [page 71](#).

## Packaging

We are committed to achieving our goal of ensuring that all packaging sourced for SHEIN-branded products contains at least 50% preferred materials, such as recycled PE for plastic packaging or paper not sourced from Ancient and Endangered Forests for paper packaging, by 2030.

Since 2022, we have focused on transitioning our express delivery bags and garment polybags for SHEIN-branded products to incorporate more recycled materials. In 2024, all express delivery bags used in packages shipped to Europe comprised 50% Global Recycled Standard (GRS)-certified recycled PE. SHEIN is also starting to roll this out in other markets in the Middle East, the USA, and Southeast Asia. In total, 50.1% of all express delivery bags for packages shipped by SHEIN in 2024 were made of at least 50% recycled PE. We are also working to transition our plastic garment polybags to 100% GRS-certified recycled PE, progressively across SHEIN brands, with over 3% of all garment polybags procured for SHEIN brands now made of 100% GRS-certified recycled PE. Our use of recycled PE in plastic packaging in 2024 is estimated to have avoided the use of 5,695 tonnes of virgin plastic, resulting in estimated savings of 16,373 metric tons of CO<sub>2</sub>e.

In 2024, we continued to find new ways to consume less plastic by optimising the thickness and design of our express delivery and garment polybags, resulting in a decrease in average packaging weight of 4.37g and 0.99g per bag respectively, which is estimated to have avoided 1,797 tonnes of virgin plastic, and 6,405 metric tons of CO<sub>2</sub>e.

Additionally, SHEIN ensures that our packaging is adequately labelled to help customers dispose of it responsibly in alignment with the regulatory requirements of each country we operate in. For instance, all packaging bags indicate the type of plastic used to support waste sorting efforts, and have printed logos to support country-specific recycling initiatives, such as the French Triman logo, the Spanish Green Dot, and the Italian environmental label.

Overall, the proportion of packaging procured that contained at least 50% preferred materials increased to 17.0% in 2024 from 16.2% in 2023.



<sup>49</sup> Individual products in these collections comprised at least 30% recycled cotton.

Source Responsible Materials

Our evoluSHEIN by Design Product Initiative

Our evoluSHEIN by Design product initiative aims to introduce and promote greater awareness and adoption of aspects of our evoluSHEIN sustainability and social impact strategy within the SHEIN ecosystem. It establishes three criteria, which we refer to as our evoluSHEIN Standard, to encourage our ecosystem partners, such as suppliers and designers, to adopt these practices within their existing manufacturing and design processes:

- 1. evoluSHEIN by Design products must contain at least 30% preferred materials, such as recycled polyester, forest-safe viscose, or rescued deadstock.
- 2. evoluSHEIN by Design products must be manufactured by suppliers who have received an above-average rating on their SRS audit conducted by an accredited third party (i.e. A or B on our current grading scale) or hold certification to an independent standard that includes social compliance criteria (e.g. SA8000, GRS).
- 3. evoluSHEIN by Design products must be shipped in packaging comprising at least 50% preferred materials, such as recycled PE.

SHEIN has committed to sourcing 50% of SHEIN-branded products through our evoluSHEIN by Design initiative by 2030. In 2024, around 8.3% of SHEIN-branded products made with textiles designated by SHEIN were produced in accordance with our evoluSHEIN Standard.

In 2024, we highlighted our efforts around two evoluSHEIN by Design collections, which saw the participation of suppliers, in-house designers, and SHEIN X designers, to learn about and share feedback on incorporating preferred materials into design; circular design principles; meeting traceability and quality requirements; and responsible manufacturing guidelines:

- **SHEIN X Rescued:** A 30-piece evoluSHEIN by Design collection by six SHEIN X designers incorporating deadstock materials sourced through Aloqia’s platform, all meeting the evoluSHEIN by Design criteria. Designers were handpicked based on their interest in designing fashion products that leverage circular design principles.
- **evoluSHEIN x Anitta:** A 75-piece evoluSHEIN by Design collection by eight SHEIN X designers from around the globe (Brazil, Mexico, Spain, the UK, and the USA) who were handpicked by Brazilian pop superstar and fashion icon Anitta. The collection incorporated Regracell® and deadstock fabrics rescued through Aloqia’s platform. The collection also offers an extended size range for greater inclusivity.

We are cognisant of the rapid pace of innovation and change in sustainable textiles. To stay ahead of the curve, we are undertaking efforts to help our value chain understand and effectively work with preferred materials. For example, we conducted a survey among our designers to understand their material preferences and requirements, thereby better informing our sourcing of preferred materials. We have also conducted workshops and training for both SHEIN’s own team of designers and SHEIN X designers on preferred materials and circular design; and for our suppliers, to increase awareness about preferred materials, quality and traceability requirements, and manufacturing guidelines.



Photo credit: Madison McGaw/BFA.com



# Source Responsible Materials

## Understanding Our Material Impacts

Understanding our impacts is essential for driving positive change. It starts with material traceability, allowing us to identify the origin of the raw materials used and accurately assess the impacts of our products on the planet and people. As we strive to build our expertise, we are working to improve our whole-of-value-chain coordination and collaborating with external organisations, including NGOs, public authorities, and certification agencies, to better inform our understanding and tap on their experience.

At SHEIN, we adopt a two-pronged approach towards material traceability, adapted to our unique business model.

First, leveraging our digitally connected supply chain, we utilise a proprietary Traceability Management System (TMS) developed in partnership with TÜV Rheinland, which is integrated with our digital supplier management system. Our suppliers are required to reconstruct their physical supply chain in digital form, collecting chain of custody documentation, test reports, and transaction certificates at each processing stage. This enables us to track material flow and verify the sources of materials throughout the garment manufacturing process.

Second, to help ensure the efficacy of our tracing mechanisms, we leverage third-party verification testing, conducting spot checks on yarn, fabrics, and garments recorded as comprising preferred materials on TMS to verify the origin, quality, and traceability of preferred materials.

This helps us to track the sourcing of our preferred materials, such as recycled polyester and forest-safe viscose.

## Product Life Cycle Assessments

We believe it is important to have a strong understanding of the impacts of the materials in our portfolio to validate our materials strategy. In 2024, we commissioned Bureau Veritas to conduct an independent verification of the life cycle (cradle-to-grave) product carbon footprint for a representative sample of garments made from various material types. This sample included items made with conventional materials, as well as comparable garments made with our preferred material types. By focusing on these representative products, we aimed to gain data-driven insights into their comparative carbon impacts.

Specifically, we compared recycled polyester with virgin polyester, recycled and organic cotton with virgin cotton, and Lenzing TENCEL™ Modal with conventional modal fibres. Our life cycle assessment results were derived from validated sample data to ensure accuracy. The study calculated and compared the product carbon footprint for these comparative garments across the stages of raw material acquisition, raw material transportation, core production, downstream product transportation, product use, and product disposal.

Control Material	Preferred Material	Garment Type Compared	% difference in product life cycle carbon footprint (compared to the conventional equivalent)
Polyester	Recycled polyester	Women's dresses	-11.0%
Cotton	Organic cotton	Infants' onesies	-22.7%
	Recycled cotton	Women's jeans	-5.7%
Modal	Lenzing TENCEL™ Modal	Women's sports tops	-17.87%

The results affirmed that garments made of our preferred materials generated significantly less carbon emissions across the entire product life cycle compared to garments made of conventional materials.

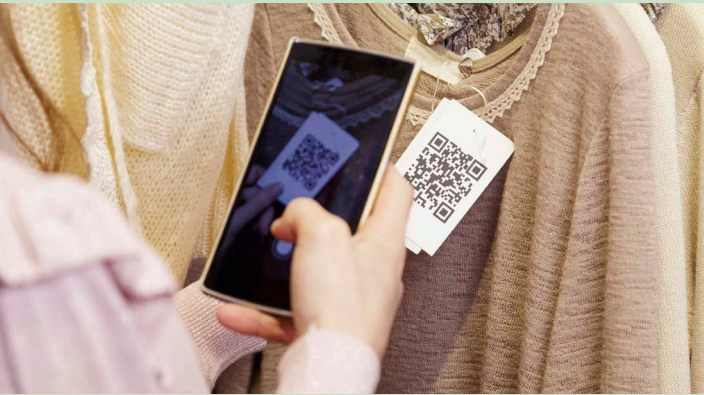
Such studies help to deepen our understanding of the comparative impacts of our products and support our focus on these preferred materials. Additionally, they enhance our carbon accounting methodology by incorporating verified carbon footprint data from our actual product value chains, as opposed to reference data sourced from industry databases.

## Preparing for the Digital Product Passport

To support our customers in making better purchasing decisions, we recognise the importance of providing them with clear, accurate, and standardised information about products. In the European Union, new regulations will require textile products to feature a Digital Product Passport (DPP) that contains comprehensive information about a product's origins, materials, environmental impact, care, repair, and disposal instructions.

In 2024, SHEIN began preparations for the DPP, participating in a pilot project by Madeby Planet Earth Ltd, a UK-based startup building innovative DPP solutions, to understand the challenges of DPPs and assess how SHEIN can collect more granular product data and establish the infrastructure needed to share this data through the DPP.

As SHEIN builds our understanding of the data requirements and processes, we will also explore the possibility of launching a DPP pilot to provide our customers with more knowledge around SHEIN products.



# Protect Nature and Biodiversity


All businesses depend on natural resources for core operations, from energy and materials to climate stability. For SHEIN, our use of raw materials such as cotton, wool, and cellulose from trees has an impact on the natural planet, ecosystems, and biodiversity. Examples of negative impacts include the use of freshwater, soil exhaustion, land use change and degradation, the exploitation and loss of species, and pollution.

We recognise that, beyond managing the impact of our own operations, we should also contribute to projects that preserve natural habitats and promote sustainable practices and ecosystems.

Our work across the Planet and Process pillars of our evoluSHEIN roadmap supports our ambition for the preservation of nature by:


- Avoiding and/or minimising our impact on biodiversity and natural ecosystems.
- Supporting industry transformation to reduce impacts and dependencies on nature.

In considering how we can support this ambition, we refer to guidance from the Science Based Targets Network and their comprehensive AR3T framework.




**Avoid**

Avoid potential negative impacts on nature, especially in areas of high conservation value




**Reduce**

Where prevention not possible, minimise potential negative impacts



**Restore & Regenerate**

Support conservation and restoration where impact is unavoidable



**Transform**

Support collective action to bring about transformative change

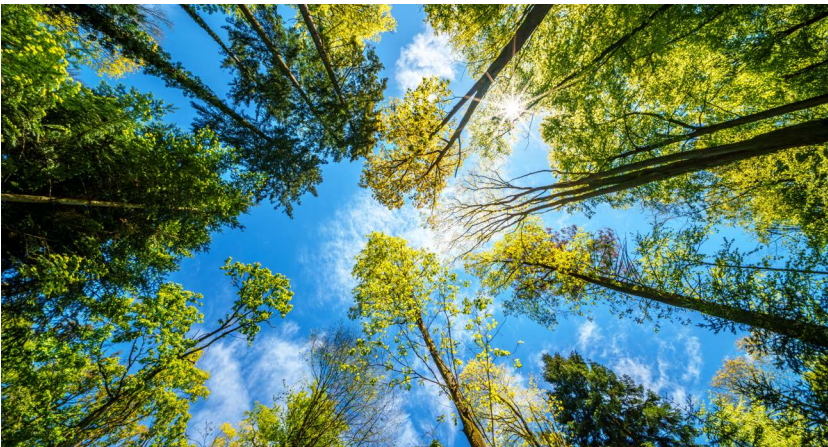
We also look to the high-level actions for the fashion and apparel sector developed by Business for Nature, the World Economic Forum, and the World Business Council for Sustainable Development, considering the unique ways different sectors interact with biodiversity and ecosystems. Our specific actions under each strategic prong are as follows:

### Avoid

We seek to prevent potential negative impacts on nature and biodiversity in our direct operations and along our value chain through the following actions:

- 1. Ensuring that Areas of High Conservation Value are Not Harmed**
- Forests play a key role in supporting a rich variety of rare species and native plant communities, as well as the livelihoods of many communities. We are CanopyStyle and Pack4Good signatories, collaborating with Canopy to address the fashion industry’s role in deforestation and environmental degradation. In making this commitment, we seek to transition our sourcing of MMCFs and paper-based packaging for SHEIN-branded products away from Ancient and Endangered Forests by 2025, and to support the acceleration of next-generation fibre solutions. For more details on our preferred materials strategy, please see [page 55](#).

- 2. Promoting Animal Welfare**
- SHEIN’s [Animal Welfare Policy](#) aligns with the five freedoms set out by the World Organisation for Animal Health (founded as OIE) in their Animal Health Codes and the Farm Animal Welfare Committee, namely:
1. Nutrition: Freedom from hunger or thirst by providing ready access to fresh water and a diet to maintain full health and vigour.
  2. Physical environment: Freedom from discomfort by providing an appropriate environment, including shelter and a comfortable resting area.
  3. Health: Freedom from pain, injury or disease by prevention or rapid diagnosis and treatment.
  4. Behavioural interactions: Freedom to express (most) normal behaviour by providing sufficient space, proper facilities, and company of the animal’s own kind.
  5. Mental state: Freedom from fear and distress by ensuring conditions and treatment which avoid mental suffering.



We recognise that animal welfare issues often occur in the depths of the supply chain, where transparency can be limited due to the lack of direct control over external suppliers. To address these issues, collaborative action and partnerships are required across the value chain. We are working to educate our suppliers and Marketplace sellers on our Animal Welfare Policy to ensure that they:

- Not source materials from threatened or endangered species consistent with the animal species protected by the Convention on International Trade in Endangered Species and listed under any of the threatened categories (i.e. Critically Endangered, Endangered, or Vulnerable) under the International Union for the Conservation of Nature.
- Not use, sell, or source materials from any material derived from “exotic” animals, including wild, rare, or not commonly domesticated animals.
- Not sell live or preserved wild animals, including taxidermy.
- Not sell animal traps, baits, and deterrents for the hunting of certain wild animals.
- Not engage in animal testing of cosmetic products.
- Work to align with our values of animal welfare and abide by industry best practices to prevent pain, discomfort, and fear in the treatment of animals, and promote practices that ensure proper feeding, housing, health, and handling.
- Cooperate with us to improve animal traceability from the animal’s origin to the final product.



# Protect Nature and Biodiversity

SHEIN collaborates with industry experts and animal welfare organisations to stay informed about animal welfare risks and best practices in the industry and within our own supply chain, and to ensure our animal welfare policy meets global standards and continuously improves to reflect the latest animal welfare principles.

### 3. Respecting Ecosystems

SHEIN has instituted a Manufacturing Restricted Substances List (MRSL), which controls the use of restricted chemicals throughout the garment manufacturing process. This helps to reduce the risk of effluent and waste discharge containing harmful and hazardous substances that may negatively impact ecosystems.

We also recognise that fibre fragmentation, especially during the garment manufacturing process, can have a negative impact on discharged water quality, and correspondingly cause environmental pollution, including groundwater and soil pollution, which affects the broader ecosystem.

As a signatory of the Microfibre 2030 Commitment, we are committed to actively engaging in collaborative action to understand and mitigate the impacts of fibre fragmentation from textiles on the natural environment. We actively contribute to TMC’s research into fibre fragmentation by submitting our fabric test results to the Microfibre Data Portal.

In our first year, we focused on working with SGS to test the quantity of fibre fragmentation from our polyester and recycled polyester fabrics, as polyester comprises the majority of our materials portfolio and is a focus in our materials transition. This first batch of results show that nearly all of our 10 tested samples – made from virgin, textile-to-textile and bottle-to-fibre recycled polyester – tested lower than the Microfibre Data Portal average, with our average at 0.187g/kg rate of filter change compared to the median of 0.399g/kg as seen in TMC’s Data Portal Annual Insights report. Our results also showed no difference in fibre fragment shedding between virgin, mechanically recycled polyester, and chemically recycled polyester. We are working closely with TMC to further expand on these findings and identify the factors that support much lower fibre loss among these samples chosen.

### Reduce

Where impacts cannot be avoided, we strive to reduce our negative impacts on nature and the planet. We recognise that water ecosystems support a significant portion of biological diversity, and have identified the following action areas as opportunities for SHEIN to contribute towards the health of water ecosystems:

#### 1. Reduce Water Footprint

In the fashion industry, water resources are consumed throughout the life cycle of a garment, from the cultivation of raw materials such as cotton, to the processing, dyeing, and treating of fabrics, to the washing and care of garments. SHEIN is committed to the responsible use and management of water resources across our operations and supply chain.



To understand our exposure to both operational and basin water-related risks, in 2024, we evaluated how and where we use water across our own operations and supply chains, and leveraged the World Wide Fund for Nature (WWF) Water Risk Filter<sup>50</sup> to assess the basin-related physical, regulatory, and reputational water risks. The assessment is based on 2023 data from all SHEIN-operated warehouses and our Tier 1 and 2 suppliers, which comprise garment production, printing, dyeing, and finishing facilities, totalling approximately 80% of SHEIN-branded products based on procurement value in 2023.

Overall, water scarcity and drought risk for SHEIN-operated warehouses and Tier 1 and Tier 2 suppliers were assessed as low or very low. However, high-priority risks identified include declining water quality, flood risks, and other extreme weather events. High-priority opportunities identified for SHEIN include the adoption of water-saving technologies to improve our water use efficiency and the need to strengthen our resilience to extreme climate events. With a baseline understanding of water consumption across our value chain, we published a company-wide Water Stewardship Policy to gauge and implement water management improvement practices. This policy sets out key principles and requirements for SHEIN-operated facilities, as well as the expectations for our value chain partners, along with guidelines for responsible water usage and management.

#### Our Own Operations

Within our own operations – including warehouses and offices – water usage is minimal, primarily for the management of ancillary facilities such as sanitation, canteens, and landscaping. As such, water usage draws from and directly discharges into municipal water and sewage systems, and no industrial wastewater is generated. In 2024, within our own operations, we consumed 1,557,957 cubic metres of water.<sup>51</sup>

<sup>50</sup> WWF (2023) WWF Risk Filter Suite version 1.0.  
<sup>51</sup> All water used was sourced from municipal supply and discharged into the sewage system, with no industrial wastewater generated.

Protect Nature and Biodiversity

We are committed to providing all our employees with clean and safe drinking water and sanitation facilities across the facilities we operate. In 2024, we applied WASH4WORK’s self-assessment tool<sup>52</sup> across SHEIN-operated warehouses in China and implemented measures to regularly monitor the quality of drinking water, improve daily cleaning and disinfection management, and ensure adequate sanitation facility provisions.

To enhance employee awareness of water scarcity and promote prudent water usage, we display posters promoting water-saving habits in our own facilities and conduct educational activities and community events for SHEIN employees, enabling them to contribute to the responsible stewardship of shared water resources.

Looking forward, we will continue to track and monitor our water usage within our own operations, and establish more comprehensive guidelines for water-saving measures to be implemented.

Our Supply Chain

In the fashion industry, wet processes such as dyeing, washing, finishing, and printing are the most water-intensive stages in the value chain. At these stages, since water is used for production (such as boilers and coolers), industrial wastewater is generated and must be treated appropriately.

We also partner with our suppliers to identify and implement further water-saving measures, such as optimising cooling water collection and reuse systems, switching to high-efficiency water pumps, and improving water inlet controls for wool washing machines. In 2024, through these programmes, we helped 83 suppliers implement measures that are estimated to have saved approximately 469,600 tonnes of water and reduced 355,500 tonnes of wastewater generated annually.

SHEIN also promotes the use of water-saving technologies such as digital thermal transfer printing and Cool Transfer Denim Printing across our supply chain. Read more about our waste-less innovation efforts on [page 64](#).

Within our supply chain, we also expect our suppliers to provide workers with sufficient clean sanitation facilities and access to potable water free of charge. Compliance with these requirements is assessed during annual SRS audits.

Our Communities

As floods and extreme weather events have disruptive impacts on the local communities where we operate, SHEIN has also provided philanthropic donations to support local communities in responding to these climate challenges, in countries such as Brazil, Poland, Spain, the UAE, and the USA. For more information, see [page 40](#).

Restore and Regenerate

Where we have direct impacts, we aim to support the restoration and regeneration of ecosystems. We support organisations which implement ecosystem restoration projects, committing to the rehabilitation of degraded habitats and ecosystems and the protection of biodiversity. In September 2023, SHEIN pledged S\$2 million to the Temasek Trust’s Philanthropy Asia Alliance (PAA) initiative, dedicated to catalysing collaborative philanthropy in Asia through multi-sector partnerships. SHEIN’s contributions will fund projects related to PAA’s focus areas of Holistic & Inclusive Education, and Climate & Nature. Through the PAA platform, SHEIN will be able to leverage the alliance’s global public, private, and philanthropic member network to contribute to projects, including those that focus on ecosystem health.

Transform

We recognise that partnering with organisations that work on nature restoration projects is essential to support collective action. Accordingly, a portion of SHEIN’s grant to the PAA initiative, mentioned above, will go towards funding projects that aim to address nature-related challenges across Asia.

We are supportive of advancing industry-wide change and investing in strategies and solutions that can facilitate the transition. Through our Circularity Fund, we will explore investments that could help minimise virgin fabric use and, correspondingly, the impacts of raw material extraction and garment manufacturing. See [here](#) for more information on the Circularity Fund.

We aim to enhance our stakeholder engagement on nature and biodiversity issues, and to support broader education and awareness-building regarding the potential impacts of the fashion and textile industry and the importance of protecting nature and biodiversity.

<sup>52</sup> The WASH Pledge Self-Assessment Tool; for further details, refer to <https://www.wbcsd.org/resources/wash-pledge-self-assessment-tool-for-business/>.





PROCESS



WASTE-LESS  
INNOVATION

Why It Matters

SHEIN believes that innovative solutions will be needed to address the systemic challenges of the fashion industry, with collaboration across the ecosystem involving all parts of the value chain, from suppliers to customers. Our on-demand business model, enabled by our digitalised supply chain, is transforming the traditional manufacturing process and reduces excess inventory waste—a widely recognised challenge in the fashion industry and a significant source of textile waste globally. We believe that innovation has the power to transform the fashion industry, and that SHEIN is well-positioned to help drive this industry-wide transition by supporting advancements in materials innovation, production planning, end-of-life management, and increasing customer engagement to promote circularity.



PROCESS

Our Approach

Our three strategic priorities for driving impact are to:



Optimise Resource  
Efficiency



Design Circular  
Systems



Accelerate Sustainable  
Innovation

Our Targets and Aspirations	2024 Progress
Engage the majority of SHEIN’s customers in circularity by 2025	<ul style="list-style-type: none"><li>6.78 million new users joined the SHEIN Exchange platform in 2024, with over 297,000 products listed for sale by over 148,000 unique sellers.</li><li>A third of respondents in our 2024 Circularity Study had resold SHEIN items on SHEIN Exchange (where available in their markets), and over 40% of respondents across all markets were open to reselling on the platform.</li></ul>
Become a global leader in rescuing deadstock materials from becoming waste	<ul style="list-style-type: none"><li>Rescued 28,058 metres of high-quality deadstock materials through our partnership with Aloqia, marking an approximately 40% year-over-year increase.</li></ul>
Establish a fully circular textile supply chain by 2050 in alignment with our World Circular Textiles Day commitment	<ul style="list-style-type: none"><li>Continued our multi-year research partnership with Donghua University to study how to drive commercially scalable production of recycled polyester fibres.</li><li>12.1% of recycled polyester directly sourced for SHEIN-branded products was textile-to-textile recycled polyester.</li></ul>



# Optimise Resource Efficiency

By leveraging technology to introduce more efficient processes throughout our value chain, SHEIN strives to minimise our use of essential resources, such as water, energy, and raw materials, reduce waste generation, and promote responsible resource use.

## Waste-Less Innovation

What distinguishes SHEIN from traditional retailers is our on-demand business model, which strives to minimise wastage from the start. Overproduction occurs due to a mismatch of demand and supply – the fashion industry produced excess stock worth between US\$70 billion and US\$140 billion in sales in 2023.<sup>53</sup> Leveraging our digitalised supply chain and monitoring demand signals from our customers from the way they engage with our app and website, SHEIN is able to more accurately assess popular styles that our customers want, whether these are basics that are popular all year round, or styles that cater to a specific season or special occasion. New styles are launched in small initial batches of 100 to 200 pieces, and we closely evaluate customer interest and demand before procuring additional pieces. Our suppliers are digitally integrated into our platforms, where they can also access our demand insights, inventory levels, and product performance insights, enabling them to make more accurate manufacturing decisions and respond quickly to new orders. Overall, this on-demand, customer-driven model, anchored in an agile, digitalised supply chain, allows us to offer more choices to customers at affordable prices, while resulting in less inventory waste and minimising resource waste from overproduction.

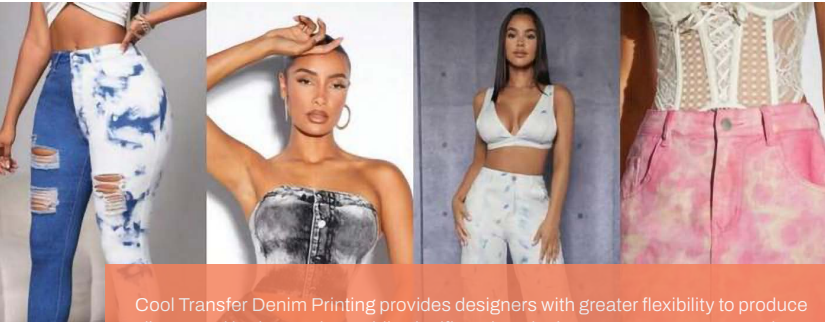
## Water-Less Innovation

In line with leveraging our edge in innovation, we invest in the research and development of manufacturing technology and production processes that consume less water, and encourage the adoption of these technologies and practices among our suppliers.

For example, traditional denim manufacturing is known for being resource-intensive, requiring vast amounts of water and energy for processes such as dyeing, bleaching, and washing. As such, we continue to promote the use of Cool Transfer Denim Printing technology, which reduces water usage by 70.5% compared to conventional denim washing methods, as verified by Bureau Veritas. This involves a digital printer using reactive ink to print denim textures, artwork or patterns onto a transfer film. The designs on the transfer film are then imprinted onto white denim fabric using cold transfer equipment, replicating the effects of washing denim to produce features such as faded finishes, whiskering, and retro-worn effects. This process also eliminates the need for workers to be in contact with harmful chemicals, such as chlorine and caustic soda, which may be used in traditional denim production. We also continue to promote the use of digital thermal transfer printing, a zero-water-waste printing method verified by Bureau Veritas, for the production of printed fabrics.

In total, these two water-less innovations were used for the production of around 51% of SHEIN’s directly sourced printed fabrics in 2024, which corresponds to over 550,000 cubic metres of water saved.

Looking forward, we are also expanding our areas of textile research to maximise efficiencies and minimise impact as much as possible. For example, this includes improving dyeing, printing, and textile finishing processes, which traditionally consume significant amounts of water, chemicals, and energy.



Cool Transfer Denim Printing provides designers with greater flexibility to produce vibrant and intricate prints, while significantly reducing water usage compared to conventional denim manufacturing methods.

## Planning with Precision

In addition to minimising waste from excess unsold inventory, we also seek to support our suppliers in minimising the amount of excess fabric or deadstock left over from production. Traditionally, brands place orders and suppliers must then estimate and procure the volume of fabric that may be required to manufacture these garments. However, this may be inaccurate or prone to human error, resulting in excess fabric or shortages.

To address this issue, in 2024, we rolled out an automatic fabric calculation system across our digitally integrated supply chain. This system collects, processes, and analyses fabric specifications and volumes utilised across garment types and styles, generating the predicted volume of each type of fabric required based on order quantities. This system is fully automated and is able to continually improve the accuracy of its predictions based on historical material use by garment type. This enables our suppliers to quickly obtain more precise estimates of fabric volume required, which reduces excess fabric that might have otherwise become waste, and improves production efficiency as well.

<sup>53</sup> The Business of Fashion and McKinsey & Company, The State of Fashion 2025: Challenges at Every Turn, “Inventory Excellence”, pg.116.

Design Circular Systems

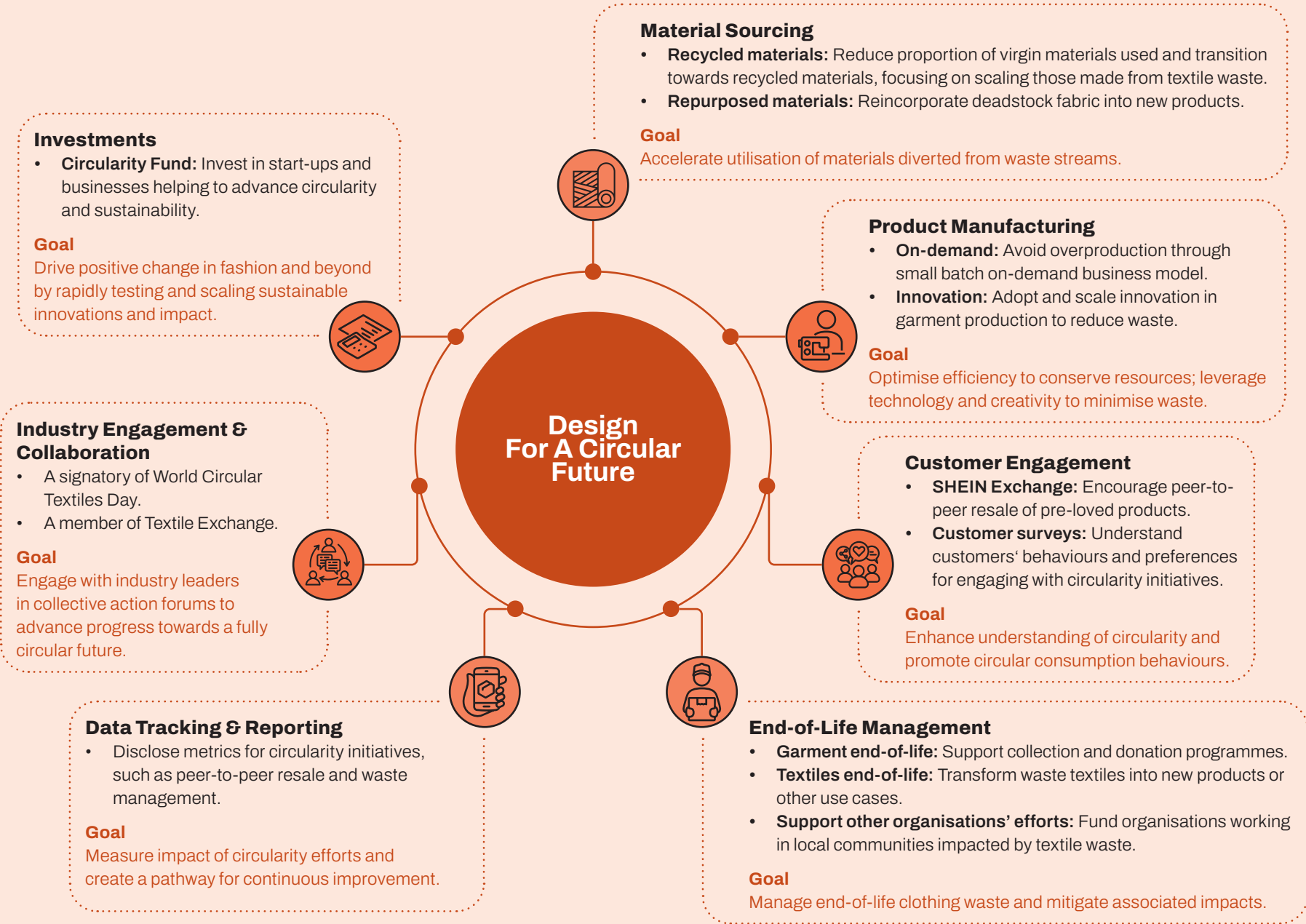
Circularity represents an approach towards production and consumption which involves reusing, repairing, refurbishing, and recycling existing materials and products for as long as possible. Taking a system-level view, our commitment to circularity concurrently supports our other sustainability goals, including the reduction of carbon emissions, water consumption, environmental pollutants, and other detrimental impacts associated with conventional production methods.

Building a Circular Ecosystem

We believe that true circularity can only be achieved through collaborative action. This includes efforts to minimise textile waste within our own operations, as well as collaborations with like-minded partners and industry experts to advance a fully circular textiles ecosystem, from raw material sourcing to product end-of-life management.

Since 2022, SHEIN has been a signatory of World Circular Textiles Day, together with a global coalition of brands, suppliers, and other organisations united in the common goal of achieving full circularity within the fashion and textile industry by 2050. We are therefore working together with all stakeholders across our value chain, from suppliers and employees to our valued customers, to explore strategies that aim to transform our operational practices and those of our supply chain partners into a truly circular ecosystem.

In particular, we recognise the challenges associated with the end-of-life management phase, given the nascent used textiles collection and recycling ecosystems across many markets globally. Collective efforts are needed from stakeholders across the ecosystem such as brands, manufacturers, waste managers, recyclers, and policymakers, to scale the collection infrastructure and technology solutions so that we can improve resource recovery and cost efficiencies. SHEIN strives to play our part in such efforts to advance end-of-life textiles management at an ecosystem level.





Design Circular Systems

Engaging on Circularity

How Our Customers Engage in Circularity

Customers are increasingly prioritising sustainability and seeking ways to extend the lifespan of their clothing. We encourage the prolonged use of our products and are also committed to designing with circularity in mind. Our objective is to involve SHEIN customers in circular practices, moving away from the traditional “take, make, break, forsake” retail model. By embedding circularity into our production, using more preferred materials, and offering platforms and programmes to extend product life cycles, we aim to provide customers with more opportunities to engage in the circular economy.

As part of our efforts to better understand our customers’ purchasing habits and how we can support them in embracing circularity, SHEIN conducted multiple studies in 2024, surveying over 8,500 customers across six key markets: France, Germany, Italy, Poland, the UK, and the USA.

We also surveyed SHEIN customers on their practices and preferences to extend the lifespan of their clothing. The most common approaches across all age groups surveyed (between the ages of 18 and 45) included donating clothing (62%), sharing items with friends and family (57%), and engaging in online peer-to-peer resale platforms (51%). However, behaviours varied by region—nearly half of Italian respondents repaired, altered, or upcycled their clothes, while more than 40% of respondents from Poland and the USA preferred shopping or consigning at physical thrift or vintage stores.

Among the various types of circularity initiatives, we observed the strongest interest from customers in engaging with resale clothing platforms, such as SHEIN Exchange. A third of respondents in our 2024 Circularity Study had resold their SHEIN items on SHEIN Exchange (in markets where SHEIN Exchange is available) in the past year. US respondents showed the highest engagement, with 38% having used the platform. In France, Germany, and the UK, where SHEIN Exchange was launched in 2024, adoption rates among respondents ranged from 25% to 33%. Despite these varying usage rates, we believe there is potential to encourage more customers to resell and purchase used items through SHEIN Exchange, as over 40% of respondents across all markets expressed openness to reselling on the platform, despite not having done so yet.

What drives decisions on how long to keep an item of clothing?

A key research question for SHEIN was to understand how long our customers wear their SHEIN clothing. Across all six markets, 72% of survey respondents report wearing their SHEIN items at least 10 times, while 41% wore their SHEIN items at least 30 times, and 19% at least 50 times.

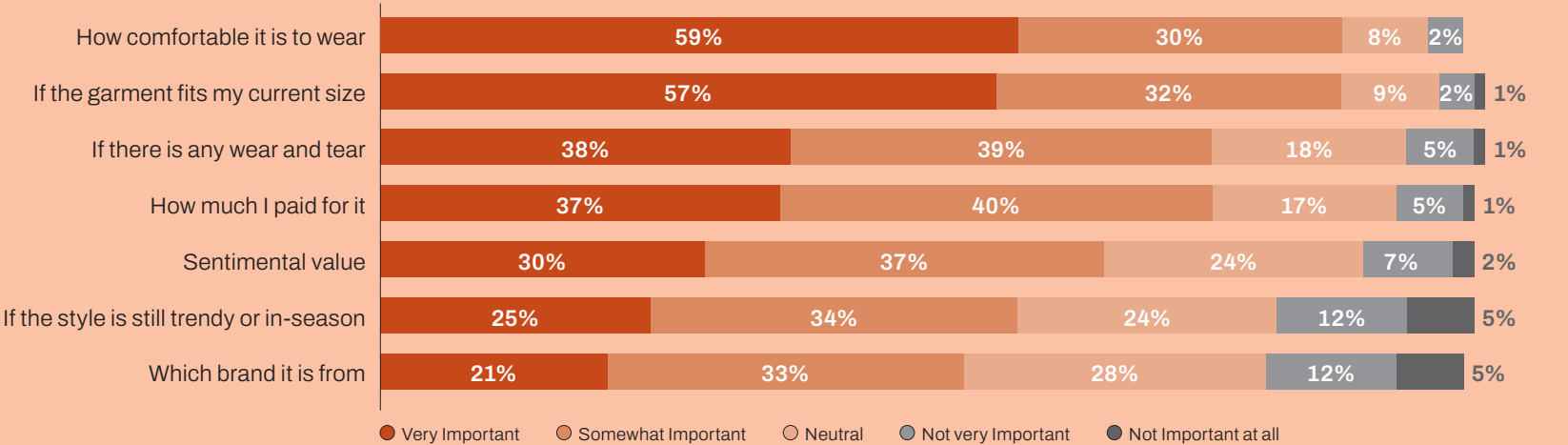
When it comes to deciding how long to keep an item of clothing, SHEIN customers prioritise comfort (59%) and fit (57%) above all else. While wear and tear (38%) and price (37%) do play a role, they are less influential. Finally, fewer than one-third of customers consider trendiness, seasonality (25%), and brand (21%) to be highly important in their decision-making process.

In a separate 2024 survey conducted for SHEIN by The Harris Poll, when asked to describe their most loved clothes, the top descriptors among US customers were “comfortable” (68%) and “exactly fits my style” (36%). Similarly, the top descriptors among UK customers were “comfortable” (72%) and “exactly fits my style” (44%).

Price – while a consideration – is not the top or only consideration. This is further supported by the research conducted on our behalf by The Harris Poll, where 93% of Americans and 90% of Britons agreed that clothing does not have to be expensive to deliver long-term value. 64% of USA customers and 66% of UK customers also stated that they wore their SHEIN clothing as much as, or more than, clothing from higher-priced brands.

These findings provide useful insights into our customers’ attitudes and preferences, and we will continue to work on offering products that our customers will love and wear for as long as possible.

Important factors for deciding how long to keep an item of clothing



Note: Figures may not add up to 100% due to rounding.  
Source: SHEIN 2024 Circularity Study, 2024 Fashion Consumption Survey by The Harris Poll

# Design Circular Systems

## Keeping Clothing in Circulation Longer

### SHEIN Exchange

In 2022, SHEIN launched SHEIN Exchange, a peer-to-peer resale platform that enables customers to buy and sell pre-owned SHEIN items. SHEIN Exchange features user-friendly tools, such as automatic pre-population of product details, to facilitate the easy listing of items. Likewise, SHEIN customers looking to explore pre-loved styles can use the search and filter tools within the platform to create more targeted search results of the pre-loved items available for sale.

First launched in the USA, SHEIN Exchange was expanded further to France, Germany, and the UK in 2024, providing more of our global customer community with an opportunity to participate in the second-hand clothing market. With this expansion, 6.78 million new users joined SHEIN Exchange in 2024, with over 297,000 pre-owned items listed for sale by over 148,000 unique sellers. This represented an increase from 2023, when we saw over 4.2 million new users, with more than 115,000 pre-owned items listed for sale by over 95,000 unique sellers.

### Garment Takeback and Recycling

In 2024, we continued to run clothing collection programmes in markets such as Australia, Brazil, Germany, Italy, Mexico, Portugal, Saudi Arabia, and the UAE, leveraging occasions like pop-ups where we provide a physical space for our customers to drop off their pre-loved clothing to be donated or recycled, conducting door-to-door collection services as part of social impact initiatives, or donating leftover stock from pop-ups and sample rooms.

In Japan, where we have a permanent physical space in our SHEIN Tokyo Showroom, we have launched a monthly clothing swap programme, starting from July 2024, where customers can bring in pre-loved items to be exchanged and donated to non-profit organisations. In 2024, this initiative collected over 2,200 kg of pre-loved garments from more than 3,000 SHEIN customers in Japan.

### Downcycling Textile Waste

In 2024, we also sought to reduce further textile waste generated in our own operations. We recovered a total of 40 tonnes of fabric, comprising garments

selected for quality control sampling and therefore cannot be sold, garments produced as a result of internal research and development projects, and fabric cutting waste within our SHEIN-operated facilities.

30 tonnes of cutting waste were sent to fibre manufacturers to be ultimately recycled back into fabric, which can be used for garment production, and the remaining recovered fabrics were converted into approximately 3,300 tote bags, 15,000 hair scrunchies, and downcycled into 2,000 square metres of insulation material for steam pipes in our supplier facilities.



### SHEIN Exchange Resale Platform

6.78 M

new users with over **297,000** pre-owned items listed for sale by more than **148,000** unique sellers.

### Clothing Swap Programme

2,200 KG

of pre-loved garments from over **3,000** SHEIN customers in Japan, donated to non-profit organisations.

### Recovered

40 TONNES

of fabric within our SHEIN-operated facilities.

## From Scraps to Skills

To further both our sustainability and social impact objectives, in October 2024, we launched a programme in Guangzhou to support re-employment opportunities for people with disabilities and find a new lease of life for our garments. Partnering with HOHIILIFE, we provided training and sewing equipment to 11 deaf and hard-of-hearing individuals, equipping them with the skills to repurpose garment waste generated as a result of our internal fabric research and development projects. This effort converted 266 kg of leftover fabric into over 15,000 hair scrunchies. In December 2024, we organised an event at our CIGM to repurpose leftover fabric into canvas bags, involving 18 SHEIN employees and the deaf and hard-of-hearing participants. These initiatives not only transform textile waste scraps into functional products but also empower communities with disabilities by supporting them in gaining practical skills.





# Design Circular Systems

## Addressing End of Life

SHEIN is committed to finding sustainable solutions to address the issue of discarded textiles. Since 2022, we have supported efforts to tackle global textile waste management and further the development of a circular economy in textiles through the SHEIN Extended Producer Responsibility Fund. In 2024, we continued to support The Or Foundation’s work in Ghana, and made a grant to the UnTours Foundation to support textile waste management efforts in Cambodia. SHEIN Foundation also made a grant to the Africa Collect Textiles (ACT) Foundation to promote the donation and recycling of used textiles in Kenya and the broader African region.

### The Or Foundation

In its second fund year (July 2023 to July 2024), The Or Foundation continued to support retailers and upcyclers to manage second-hand garments and clean up the ecosystems impacted by the problem of textile waste.

It invested US\$4.2 million in efforts to promote a circular economy for textiles and uplift the community. As a result:

- 55 women transitioned from hazardous head-carrying jobs to apprenticeships in safer trades. The programme also includes providing comprehensive healthcare, housing, and scholarships for advanced education.
- 348 people received direct relief grant payments, in response to flooding, malaria, and fire events.
- 260 fire extinguishers were installed.
- Over 400 tons of waste were collected and removed with 50 people mobilised dedicated to beach clean-up initiatives.
- 75,147 waste garments were transformed into fibreboards and mops.
- 103 participants participated in the Community Business Incubation programme, which trains participants in everything from quality control and design to financial and business planning.
- Over US\$120,000 was regranted to allied organisations undertaking upcycling initiatives across Africa, including waste management and cleanup groups, as well as educational and human rights organisations working with vulnerable populations related to the communities The Or Foundation serves.

### UnTours Foundation

SHEIN granted US\$250,000 to the UnTours Foundation to support a Cambodian initiative, KaTik, aimed at upcycling textile waste, in collaboration with local social enterprises. The UnTours Foundation, known for providing low-interest loans to businesses addressing critical social, economic, and environmental challenges, will use this grant to empower local artisans and promote textile waste circularity in Cambodia.

Over nine months, KaTik launched a platform to help designers and makers create and sell circular products, and established an upcycling facility and a learning laboratory for its team of makers and designers. Overall, KaTik successfully processed nearly 16,000 kg of textile waste, partnering with 10 local brands and designers, and supporting 50 jobs both directly and across partner organisations.



### Africa Collect Textiles Foundation

In 2024, the SHEIN Foundation committed €5 million to the ACT Foundation, the charitable arm of ACT, a social enterprise that has developed a used textiles collection and recycling pilot in Kenya. The funds will be used to support the ACT Foundation’s activities to promote textile donation and post-consumer textile recycling in Kenya and the broader African region, which includes:

- Installation of a convenient and accessible network of drop-off points for members of the public to donate their used clothing.
- Creation of new jobs such as collectors, sorters, and artisans who will upcycle textile waste into new products, with a focus on hiring youth and women from vulnerable communities.
- Building of recycling infrastructure to process larger volumes of textile waste.
- Promotion of online and offline outreach programmes for communities, such as upcycling workshops, lectures, and neighbourhood collection drives.



# Accelerate Sustainable Innovation

**SHEIN’s on-demand business model is innovative and tech-driven. We adopt a similarly agile approach to sustainable innovation, involving research and development, strategic data analytics, testing, and scaling of new solutions and business models.**

## The Test-and-Scale Approach

Our culture thrives on a test-and-scale approach in the product development process. Our employees are encouraged to proactively identify areas for improvement in our current products or new offerings, conduct thorough research, and propose innovative solutions. These solutions undergo a testing phase, during which small batches are initially launched to gauge customer responses, and thereafter they are scaled up in production to meet market demand. We also apply this iterative approach to testing new materials and improving business models before they are expanded throughout our operations.

## Manufacturing Innovation and Training

Established in 2022, SHEIN’s CIGM focuses on developing waste reduction and efficiency-enhancing technologies that can be standardised and scaled across our entire supply chain. The CIGM engages in garment manufacturing tool and equipment development, focusing on intelligent production and automation, to improve production quality and efficiency, achieve cost savings, and machinery adjustments to make it easier for supplier personnel to operate. In 2024, the CIGM was granted 11 patents and had 22 patents pending for new technologies and tools. The CIGM also developed over 60 new sewing and garment-making tools, providing more than 3,000 of these tools to our suppliers, resulting in average productivity gains of over 40% for the corresponding manufacturing stage.

We believe in sharing the benefits of our investments in research and development with our partners in the SHEIN ecosystem, so that we, along with the rest of the industry, can benefit from the productivity and resource efficiencies.

The CIGM empowers our suppliers through comprehensive training programmes covering cutting-edge technologies, advanced product quality standards, effective organisational management, and best-in-class workplace practices, offering in-person and online options to maximise outreach. The CIGM also works directly with our suppliers to provide advice on strategic factory site selection, facility design, and layout planning, enabling them to operate and manage their factories more effectively.

In 2024, the CIGM conducted 69 vocational skills training sessions for 1,221 participants across 1,056 suppliers, covering topics such as business and operational processes, as well as the latest technologies in garment production. CIGM also organised 97 technical certification courses, with 1,758 participants successfully completing and obtaining certifications in areas such as quality inspections and assurance, as well as national vocational skill level certifications. In line with our belief in empowering our ecosystem, the CIGM also sought to expand its outreach efforts by initiating off-site practical training programmes, and deploying lecturers, trainers, and equipment to other key industrial belts outside of Guangzhou, such as in Xingcheng City in Liaoning Province.

To encourage upskilling and promote skills improvement, the CIGM organised the first “SHEIN Craftsman Cup” in 2024, a skills competition for designers, pattern makers, cutters, and sewers across Guangzhou. The event drew 219 contestants across the four vocations, with over 60 awards and prizes given out.

The CIGM also conducted a “Tools Day” event to demonstrate the tools developed by SHEIN that promote flexible lean manufacturing. Over 60 self-developed technical tools used in more than 20 industry processes, along with several types of intelligent equipment, were showcased at the event. Many of the tools were developed in consultation with SHEIN’s suppliers to directly address the pain points suppliers face.

Through the CIGM’s efforts, SHEIN is committed to supporting the modernisation of garment manufacturing, helping to shape the future of fashion with solutions that enhance productivity while being resource- and manpower-efficient, and nurturing the next generation of technicians.





Accelerate Sustainable Innovation

Multi-Layer Ruching  
Presser Foot

SHEIN developed a presser foot that can achieve between two and six layers of simultaneous ruching in one pass, with a pleating volume exceeding four times that of a conventional presser foot for mesh fabric. For medium-thick materials, it can achieve over two layers of simultaneous ruching. This allows for even pleating and reduces the risk of fabric damage, achieving estimated productivity gains of nearly 40%.



Flatbed Sewing Machine  
for Fishbone Ruching

SHEIN also developed a double-needled flatbed sewing machine that enables fishbone stitching in a single pass-through, eliminating the need to cut, bundle, and sew layers of mesh material before threading the fishbone through and then adhering the bundled mesh to the garment body. This minimises the risk of fabric damage, and by combining three steps into one, achieves estimated productivity gains of 300%.



Materials Research and Innovation

Scaling textile-to-textile recycling will be an important part of our circular transition, as well as that of the fashion industry as a whole.

In 2024,

12.1%

of recycled polyester directly sourced for SHEIN-branded products was textile-to-textile recycled polyester.

As we support efforts to ramp up textile-to-textile recycling capacities to accelerate the transition, we understand that the key to scaling is finding the right practical solutions that work for our business. For example, today, recycled polyester fabrics generally come at a higher price premium compared to other fabrics, which can hinder their adoption on a larger scale.

To this end, we had launched a multi-year research partnership with Donghua University, a university specialising in engineering and material sciences, to study how to drive commercially scalable production of recycled polyester fibres.

In 2024, our research team focused on developing a recycling process that could result in better quality and cost efficiencies, in order to support wider adoption within industry. While primarily a mechanical recycling method, to improve quality, this process also incorporates aspects of chemical recycling to remove impurities and increase molecular weight, and avoids the use of toxic chemicals such as methanol or ethylene glycol. The recycling process therefore allows the resulting fibres recovered from the polyester feedstock to be recycled repeatedly without compromising key material properties, such as tensile strength, melt viscosity, and colour adoption.

At this stage of the project, SHEIN will be partnering with selected partner fibre manufacturers, to scale up the technology from a laboratory-scale setting to a facility capable of producing recycled polyester fibres at a larger commercial scale.

Accelerate Sustainable Innovation

Circular Innovation



Incorporating Deadstock with Aloqia

SHEIN's partnership with Aloqia has grown since 2022. As of 2024, Aloqia's proprietary software is now integrated into SHEIN's sourcing system, enhancing the flow of information between the platforms about deadstock materials available for designers to use. This means more efficient execution in identifying fabrics that meet our strict sourcing criteria, procuring deadstock resources, and measuring the environmental impact savings from using these materials in place of newly produced textiles.

In 2024, 28,058 metres of high-quality deadstock materials were rescued through this partnership, marking an approximately 40% year-over-year increase. These materials were incorporated into a number of collections, including evoluSHEIN X Anitta and SHEIN X Rescued. By repurposing excess inventory, SHEIN saved resources—including textile fibres such as polyester, recycled polyester, spandex, nylon, rayon, lyocell, and modal—conserving 202,083 cubic metres of water, 4,447 kg of chemicals, and over 42 metric tons of CO<sub>2</sub>e compared to traditional production, according to the impact measurement algorithms developed by Aloqia with the support of data scientists at MIT Solve. In total, this partnership has rescued over 48,000 metres of fabric, and we look forward to scaling up this effort in 2025.



*At Aloqia, we believe that the future of supply chains lies in innovation and circularity. Our partnership with SHEIN harnesses our cutting-edge technology to access available deadstock inventory from other companies to bring various fashion designs to life. Together, by continuously enhancing our software capabilities and optimising our business processes, we are paving the way for a more efficient global circular economy – where waste is minimised, and every resource is maximised, which also fuels business success.*

Stephanie Benedetto, CEO of Aloqia



Investing in the Future with Circularity Fund

In July 2024, SHEIN announced the launch of a new €200 million Circularity Fund to support start-ups and businesses throughout the EU and the UK that are advancing sustainability and circularity.

We have since engaged widely with industry stakeholders, including manufacturers, brands, solution providers, NGOs, and multi-stakeholder initiatives, to understand where the current gaps and pain points are in driving sustainability innovations across the fashion ecosystem, and refine our strategies for deploying the Circularity Fund in an impactful manner.

We realised that we would need to minimise impacts across the product life cycle in order to truly promote a closed-loop system, including looking into how to collect or process material to be recycled, and how to transport and incorporate the recycled materials for production. As such, we are planning to deploy our Circularity Fund to invest in companies across key phases of the product life cycle including design and material use, transport and logistics, and end-of-life management.

We look forward to investing in long-term solutions that are viable for business and have the potential to scale, and to providing further updates on the Circularity Fund in the future.



GOVERNANCE

ACCOUNTABLE  
LEADERSHIP

Why It Matters

SHEIN recognises the importance of maintaining accountability through a strong corporate governance framework. SHEIN prioritises the development and implementation of robust policies and procedures to ensure responsible business practices throughout our value chain. With strong corporate governance in place, we can proactively identify and mitigate risks associated with our operations across topics ranging from data security and privacy to product safety and quality. Furthermore, we actively engage with stakeholders to gather feedback and insights, enabling us to improve and adapt our governance practices continually.

# Responsible Business Practices

## Business Integrity and Ethics

Central to our commitment to conducting business with the highest standards of integrity and ethics is our Global Code of Ethics (CoE), which clearly outlines the rights, obligations, and expectations for all employees. The CoE serves as a foundational document that guides our behaviour and decision-making processes, ensuring that every team member understands and upholds our ethical standards. It is supplemented by comprehensive internal policies that outline specific requirements in aspects such as gifts and hospitality, tendering, and bidding.

Our policies explicitly prohibit the bribery of public officials by SHEIN employees and third parties acting on our behalf. We have robust processes in place to identify functions that are at particular risk of corruption and bribery, through process risk analysis, data analytics, internal audits, employee whistleblowing, and management feedback.

To ensure awareness of our anti-bribery and anti-corruption policies, employees undergo relevant training during their new hire orientation process, covering topics such as guidelines on gifts and hospitality, how to identify conflicts of interest and bribery risks, and how to utilise our whistleblowing mechanisms. In 2024, such training covered all permanent employees globally. Employees in management roles<sup>54</sup> undergo refresher training at least once a year.

SHEIN also provides a dedicated channel, ethics@shein.com, for the reporting of ethical concerns globally. Reports received are triaged and assigned to either our Internal Control and Internal Audit team, Supervision team, or Human Resource Compliance team, depending on the nature of the case. All reports are handled confidentially, and our policies strictly prohibit any retaliation against whistleblowers, including in aspects such as performance appraisals and other employment opportunities. Investigative teams operate independently of anyone in the management chain involved in the matter to ensure impartiality, and eventual investigation findings are reported to our highest leadership levels, along with recommendations on corrective measures.

In 2024, we received and looked into 69 complaints of potential employee fraud, of which 40 were confirmed as violations of the CoE, seven were dismissed, while 22 were still under investigation.

We also actively monitor our business partners for adherence to ethical standards. In 2024, we fined 34 business partners and terminated contracts with two of them due to violations of our ethical standards, including those related to corruption and bribery.

## Cybersecurity and Privacy

As SHEIN continues to grow as a global e-commerce platform, we strive to maintain the highest standards of cybersecurity, ensuring the security of data entrusted to us and providing a trusted web and mobile shopping experience. Our security and privacy initiatives are spearheaded by our Chief Security Officer, who reports directly to the CEO, ensuring top management commitment to maintaining our security posture. Focused on building a more resilient governance structure, SHEIN has also established an Independent Committee of Cybersecurity Advisors which includes four industry-leading external cybersecurity advisors to assist SHEIN in responding to emerging cyber threats, fostering cyber resiliency, and driving strategic and sustainable cybersecurity solutions.

We also prioritise the governance of data protection. As a core principle, we prioritise data minimisation, ensuring compliance with privacy laws and enabling individuals to exercise their rights under these regulations. This is overseen by the Privacy Compliance function, which reports to the Chief Security Officer.

SHEIN has continued to expand our security and privacy certifications, successfully attaining ISO 27001 certifications for our European e-commerce platforms and across all operations in the USA. Internally, our cybersecurity team conducts security audits to ensure compliance with cybersecurity and privacy regulatory requirements.

In line with our commitment to transparency, SHEIN regularly updates the Privacy Centre on our website, which not only describes the types of data we collect and how we process it, but also offers customers a variety of self-service tools, empowering our customers to exercise their privacy rights in accordance with applicable regional and global privacy regulations.

As social engineering and other human-targeting methods continue to be among the most common cybersecurity attack vectors for any organisation, we recognise the importance of establishing and maintaining a culture of security awareness as part of a defense-in-depth security strategy. Our comprehensive security training programme consists of five pillars:

- 1. New Hire Training:** All new employees undergo training within 30 days of onboarding.
- 2. Annual Cybersecurity and Privacy Training:** Employees must undergo refresher training at least once a year.
- 3. Threat-Based Training:** Based on threat intelligence, we conduct ad hoc training and send out awareness communications on topics such as phishing and data leakage.
- 4. Role-Based Training:** We conduct targeted training for personnel in specific roles, such as warehouse and customer service personnel.
- 5. Policy Training:** We conduct training on new and updated security and privacy policies as needed throughout the year.

SHEIN will continue to evolve our strategy for cybersecurity and privacy in line with the evolving operating environment, threat and regulatory landscape, and industry best practices.

## SHEIN Marketplace Compliance

SHEIN Marketplace is made up of a global network of third-party sellers. We are committed to creating a safe, fair, and transparent platform, and have developed clear and comprehensive rules for Marketplace sellers, in accordance with applicable local laws and regulations where SHEIN Marketplace operates.

<sup>54</sup> This refers to department heads and above.



# Responsible Business Practices

All sellers on SHEIN Marketplace sign a Master Seller Agreement and are expected to comply with SHEIN’s Marketplace Policies as applicable, including:

- **Marketplace Seller Code of Conduct (“Seller CoC”).** The Seller CoC mandates adherence to local laws and regulations, strictly prohibits forced and child labour, and establishes clear requirements on issues such as wages and working hours, freedom of association and collective bargaining, harassment and discrimination, as well as workplace health and safety.
- **Restricted Products Policy.** The sale of illegal, unsafe, or restricted products is strictly prohibited on SHEIN Marketplace. This includes items that promote violence or hate; intolerance based on race, religion, gender expression, or sexual orientation; child abuse and exploitation; animal-related products that are against our animal welfare policy; and those that infringe on others’ rights.
- **Anti-Counterfeiting and Intellectual Property (IP) Infringement Policy.** The sale of counterfeit products on SHEIN Marketplace is strictly prohibited. Each seller is individually responsible for sourcing, listing, and fulfilling only genuine and authentic products. Prohibited products include bootlegs, fakes, or pirated copies of products; products that have been illegally replicated, reproduced, or manufactured; and products that infringe another party’s IP rights, including copyrights, trademarks, and design rights.

Any violations of such Marketplace Policies could result in actions including suspension of the seller’s SHEIN Marketplace account, cancellation of listings, suspension or forfeiture of payments, and removal of selling privileges. SHEIN also reserves the right to report any violations to regulatory authorities, industry associations, and third-party auditors.

## Intellectual Property Compliance

SHEIN recognises the importance of IP protection and is dedicated to upholding high standards in this field.

Each new product offered by SHEIN is subjected to a comprehensive IP review process that utilises image-recognition technology and/or manual evaluations. This includes cross-referencing trademark databases from the US Patent and Trademark Office and the World Intellectual Property Organisation. Additionally, we provide IP guidance and training to our suppliers and enforce strict penalties for any violations of our IP theft policies.

We are also implementing measures to enhance our handling of complaints related to products sold by Marketplace sellers, including reducing the average time to take appropriate action and refining our processes for addressing errant sellers.

We have also increased the number of employees involved in IP compliance activities to more than 150 employees.

## Product Safety and Quality

SHEIN takes product safety very seriously and is committed to offering safe and reliable products to our customers.

### Our Governance Approach

SHEIN has a due diligence process in place to assess any new product categories created by our business teams, ensuring that we are fully aware of the relevant compliance requirements for each type of product and can establish appropriate guidelines for merchants within each product category. Across our range of product categories, SHEIN configures corresponding product rules in our system. These rules cover product and merchant standards for testing, registration, certification, labelling, and more, based on product type.

For the systematic management of both SHEIN-branded products and products from the global network of SHEIN Marketplace sellers listed on our platform, we take a differentiated approach based on our degree of control and the level of risk associated with each.

Across the products listed on our platform, we have put in place a multifaceted product safety protocol which ensures product compliance with applicable laws and regulations and our product standards, across various stages from listing to point of sale:

1. **Standards and Policies:** Suppliers and sellers are required to comply with the applicable product safety laws and regulations in the countries we operate in, as well as the controls and standards that SHEIN has put in place, such as SHEIN’s **Restricted Substances List** (RSL) and SHEIN’s codes of conduct for sellers.
2. **Documentation and Certification Review:** Suppliers and sellers are required to submit relevant documentation for products from categories such as electronics, children’s toys, children’s products, baby products, cosmetics, medical devices, light industry products, personal protective equipment, and textiles with specific regulatory requirements for SHEIN’s system checks and manual reviews.
3. **Monitoring and Testing:** Product safety tests, including chemical tests, are conducted throughout the production cycle in collaboration with leading third-party testing agencies, such as Intertek, SGS, Bureau Veritas, and TÜV, as well as at a CNAS-accredited laboratory. We take a risk-based approach, considering suppliers’ industry experience and historical data, and conduct more frequent inspections on higher-risk products.
4. **Dynamic Evaluations:** SHEIN conducts dynamic evaluations of suppliers and sellers based on multi-dimensional aspects such as the product testing pass rate.
5. **Incident Response:** SHEIN has a designated compliance team that coordinates our incident response protocol, which states that products found to be non-compliant with safety requirements in any country or jurisdiction will immediately be delisted globally. SHEIN will then work with a designated compliance team and all internal stakeholders to take the appropriate steps regarding the recall, including delisting the product, notifying affected customers, recalling the product, and issuing refunds, when applicable. For each incident, we conduct a gap analysis and update the applicable control rules accordingly.

# Responsible Business Practices

For apparel products, which account for the majority of the products listed:

- They must meet the requirements of SHEIN’s RSL, which we developed with reference to international, regional and national regulations including the Apparel and Footwear International RSL Management (AFIRM) Working Group, the EU Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), the EU Regulation on Persistent Organic Pollutions (POPs), and the USA’s Consumer Product Safety Improvement Act and Children’s Safe Products Act, amongst others. Our RSL also imposes prohibitions on per- and polyfluoroalkyl substances (PFAS).
- For SHEIN-branded apparel, suppliers must additionally comply with our MRSL, which sets out restricted substance standards for chemical formulas that may be used in the production process, such as dyes, additives, and finishing agents, developed with reference to the Zero Discharge of Hazardous Chemicals (ZDHC) MRSL. Similar to our RSL, our MRSL also prohibits the use of PFAS in chemical formulas used in the production of apparel products.

The majority of non-apparel products are sold under SHEIN Marketplace and comprise diverse categories. For product categories with specific regulatory requirements, Marketplace sellers are required to submit certificates, labels, and other documentation based on product safety laws and regulations in the countries where we operate.

After products are listed, SHEIN conducts regular spot checks, which may include warehouse inspections, physical product inspections, and third-party product compliance monitoring, to assess the compliance of listed products. Any identified gaps or incidents result in updates to our rules and processes.

### Product Testing and Management

For both apparel and non-apparel products, we conduct random inspections of selected finished products on a monthly basis. These inspections include

a number of different tests, depending on the product type, composition, and associated risks. For apparel products, for instance, we test for factors such as tear strength, pilling and colour fastness, in addition to chemical testing. These tests are conducted by international third-party testing agencies such as Bureau Veritas, Intertek, SGS, and TÜV. In 2024, we conducted over 700,000 inspections on apparel products for compliance with relevant standards.

Category	Number of Inspections	Pass Rate <sup>55</sup>
Chemical safety	189,437	98.3%
Shrinkage rate	136,117	89.3%
Strength	48,312	95.4%
Colour fastness	329,917	96.0%

For SHEIN-branded products, once we identify any non-compliance with relevant standards, we will take appropriate follow-up actions with the supplier, which may include imposing fines, restricting orders from the supplier or even terminating the business relationship, depending on the severity of the case. For SHEIN Marketplace products, once a Marketplace seller’s performance is assessed to be non-compliant or in violation of our requirements, SHEIN will take measures against the seller such as removing the product listing, seller point deductions, restricting the seller’s store operations, or even termination of the seller, depending on the severity of the case.

### Our Quality Expectations

Since meeting our customers’ expectations is core to our business, we have set rigorous internal standards for the product quality of our SHEIN-branded products, drawing on standardised testing and customer feedback to continually improve our product offerings. We also continually seek ways to improve apparel longevity, so our customers can feel better in our clothes and wear them for longer.

For example, in 2024, we partnered with contract manufacturers and fabric suppliers in our network to research ways to minimise fabric shrinkage. Generally, washing, drying or exposure to heat and moisture can cause

garments to shrink, and the degree of shrinkage varies depending on the fibre type, weave, and finishing processes. This could then impact the fit, appearance, and overall quality of the garment. To manage the impact on customers, a common industry practice is to enlarge printed patterns to minimise impact on appearance, or to pre-wash garments at the pre-consumer stage. Working with our fabric suppliers, we tested various pre-shrinking and finishings, and introduced ring-drying to stabilise the fibre at the fabric production stage. On woven cotton fabrics with specific characteristics such as double-layered creased or washed cotton, this could improve shrinkage rates from as high as -8 to -10% to -5 to 2%. This achieves better quality outcomes and also reduces the need for pre-washing, thereby conserving both water and energy resources in the process.

## Green Claims

As SHEIN continues to implement our evoluSHEIN strategy and expand our sustainability and social impact initiatives, we acknowledge the importance of providing clear, specific, accurate, reliable, substantiated, and transparent information about our SHEIN-branded products, product lines, initiatives, or our wider business. This means ensuring our green claims are not generic, inaccurate, or vague in order to avoid misleading our customers or other stakeholders.

In 2024, SHEIN strengthened our governance processes for green claims to involve a cross-functional team comprising members from ESG, Legal, and Strategic Communications functions in the review and approval of any green claims proposed to be published by or on behalf of SHEIN. Moving forward, we will also expand training for relevant SHEIN employees to ensure they are informed about global developments related to greenwashing and adhere to regulatory guidelines and industry best practices regarding green claims. Whenever we become aware that a claim may be misleading, we will also take action to address this claim as appropriate, which may include amending or removing the claim. As regulations around green claims evolve, we will continue to monitor regulatory developments in this area and update our policies in compliance with the relevant legislation or regulatory guidelines.

<sup>55</sup> Since an inspection may include a series of tests, the sample is considered to have failed the inspection if any one of the tests conducted fails the relevant testing standard.



Disclaimer and Forward-Looking Statements

The information and opinions presented in this report are current as of its publication date, unless otherwise noted, and are subject to change without prior notice. SHEIN does not commit to updating or revising any statements contained herein. This report reflects SHEIN's current policies and intentions and is not intended to create any legal rights or obligations. It may reference public information that has not been separately reviewed, approved, or endorsed by SHEIN, and no representation, warranty, or undertaking is made regarding the accuracy, reasonableness, or completeness of such information. The inclusion of any information in this report does not imply that the subject matter is material to SHEIN's business or operational results.

This report contains forward-looking statements. All statements that are not historical or current facts, including those pertaining to our plans, initiatives, projections, goals, commitments, expectations, or prospects, are considered forward-looking.

We use terms such as aim, believe, commit, drive, estimate, ensure, expect, goal, intend, may, mission, plan, project, seek, strategy, strive, target, will, and similar expressions to identify these forward-looking statements. Such statements reflect management's current expectations and inherently involve risks and uncertainties. Actual results may differ materially due to various factors, including unrealised assumptions, scientific or technological advancements, evolving sustainability strategies, changes in government regulations, alterations in our products, services, technologies, and the geographic regions where we operate, or other changes in circumstances.

The standards of measurement and performance outlined in the report are evolving and based on assumptions, and no assurance can be provided that any plans, initiatives, projections, goals, commitments, expectations, or prospects stated in this report will be realised.

We undertake no obligation to publicly update or revise any forward-looking statements as a result of new information, future events, or other reasons.

External Assurance

INDEPENDENT LIMITED ASSURANCE REPORT ON SELECTED SUSTAINABILITY INFORMATION IN ROADGET BUSINESS PTE. LTD.’S SUSTAINABILITY AND SOCIAL IMPACT REPORT 2024

TO THE DIRECTORS OF ROADGET BUSINESS PTE. LTD.

We have been engaged by the Board of Directors of Roadget Business Pte. Ltd. (the “Company”), also referred to under the brand name SHEIN, to perform a limited assurance engagement on the selected information (the “Selected Sustainability Information”) set out in Appendix 1A and Appendix 1B, which is presented in the Company and its affiliates’ (collectively referred to as the “Group”) Sustainability and Social Impact Report for the year ended 31 December 2024 (“Sustainability and Social Impact Report 2024”), with reference to the Global Reporting Initiative (“GRI”) Standards 2021 and the Group management’s definition and measurement criteria (collectively referred to as the “Reporting Criteria”). The disclosures set out in Appendix 2 referred to the Company’s reporting and scoping boundary of the Selected Sustainability Information under the GRI.

Our Limited Assurance Conclusion

Based on the procedures we have performed as described under the “Summary of the procedures we performed as the basis for our assurance conclusion” and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Sustainability Information in the Group’s Sustainability and Social Impact Report 2024, is not prepared, in all material respects, with reference to the Reporting Criteria.

We do not express an assurance conclusion on information in respect of earlier periods or on any other information linked to the sustainability information or the Group’s website, including images, audio files or embedded videos. We also do not express any form of assurance conclusion on reporting standards not included within the Reporting Criteria such as the European Sustainability Reporting Standards.

Understanding how Group Management has Prepared the Selected Sustainability Information

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure sustainability information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Selected Sustainability Information needs to be read and understood together with the Reporting Criteria and its related disclosures as set out in the Group’s Sustainability and Social Impact Report 2024.

Responsibilities of Group Management for the Selected Sustainability Information

The Group management is responsible for:

- Selecting or establishing suitable criteria for preparing the Selected Sustainability Information;
- Preparing of the Selected Sustainability Information with reference to the Reporting Criteria; and
- Designing, implementing, and maintaining internal control over information relevant to the preparation of the Selected Sustainability Information that is free from material misstatement, whether due to fraud or error.

Responsibilities of the Practitioner

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Selected Sustainability Information in the Group’s Sustainability and Social Impact Report 2024, is not prepared, in all material respects, with reference to the Reporting Criteria;

- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Board of Directors of the Company.

As we are engaged to form an independent conclusion on the Selected Sustainability Information as prepared by the management of the Group, we are not permitted to be involved in the preparation of the Selected Sustainability Information as doing so may compromise our independence.

Professional Standards Applied

We conducted our engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements other than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 “Quality Management for Firms that Perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements”, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



External Assurance

Summary of the Procedures we Performed as the Basis for our Assurance Conclusion

Based on the risk and materiality considerations, we performed our procedures to obtain sufficient and appropriate assurance evidence. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Selected Sustainability Information, our procedures included:

- Evaluated the suitability in the circumstances of the Group’s use of the Reporting Criteria, as the basis for preparing the Selected Sustainability Information in the Sustainability and Social Impact Report 2024;
- Through inquiries, obtained an understanding of the Group’s control environment, processes and information systems relevant to the preparation of the Selected Sustainability Information, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- Performed analytical procedures to identify risk factors by comparing certain Selected Sustainability Information in the current period to the prior period;
- Performed sample testing on the Greenhouse Gas (“GHG”) emissions calculation to check the data inputs to supporting documents and evaluate whether the Group’s adoption of emission factors applied are consistent with Appendix 2. Our procedures did not include testing the data on which estimates are based or separately developing our own estimates against which to evaluate the Group’s estimates;
- Tested samples of SHEIN Responsible Sourcing (“SRS”) audit reports to check whether SRS audits had been conducted on suppliers and subcontractors during the year, either by external verification agencies or by the Group. Recalculated the SRS audit gradings in accordance with the definition and measurement criteria established by Group management. We also checked whether the Group reported the SRS audit information, including any reported violations, according to the audit reports. Our procedures did not include an independent validation of the conclusions included in these SRS audit reports, including any violations of applicable labour laws;

- Obtained the third-party expert reports related to implementation of energy efficiency measures and checked whether the Group reported projected annual savings according to the factual number stated in the expert reports. Our procedures did not include an independent validation of the results of the projected annual savings. Therefore, no assurance is given to the results of the projected annual savings prepared by third-party experts;
- Tested samples of product inspection reports from third-party experts and independent labs for i) Chemical safety inspections; ii) Shrinkage rate inspections; iii) Strength inspections; and iv) Colour fastness inspections, and checked whether the Group reported the number of product inspections and percentage with a pass result according to the factual outcomes of the inspections. Our procedures did not include an independent validation of the conclusions from the product inspection reports. Therefore, no assurance is given to the results of the product inspections prepared by third-party experts and independent labs; and
- Considered the presentation and disclosure of the Selected Sustainability Information in the Sustainability and Social Impact Report 2024.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Inherent Limitation

GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but similarly acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

Use of Independent Limited Assurance Report

This independent limited assurance report is made solely to Board of Directors of the Company for the purpose of providing a limited assurance conclusion on the Selected Sustainability Information in the Group’s Sustainability and Social Impact Report 2024. As a result, the report may not be suitable for another purpose. For the avoidance of doubt, all duties and liabilities (including without limitation those arising from negligence) to third parties, are specifically disclaimed. The Contracts (Rights of Third Parties) Act 2001 does not apply, and only the signing parties to the engagement letter contract have any rights under it.

*Deloitte & Touche LLP*

Public Accountants and  
Chartered Accountants  
Singapore

6 June 2025

External Assurance

Appendix 1A

List of Selected Sustainability Information presented in the Group’s Sustainability and Social Impact Report 2024 with reference to the GRI Standards 2021.

Topic	Indicator Description	GRI Standards 2021	Disclosure	Unit	Page number in the Sustainability and Social Impact Report 2024
Environmental Performance	Direct (Scope 1) GHG emissions	305-1	Fossil fuel combustion emissions: 2,809 Fugitive emissions: 1,407	Metric tons CO <sub>2</sub> e	47
	Energy indirect (Scope 2) GHG emissions (Location-based)	305-2	121,566		47
	Energy indirect (Scope 2) GHG emissions (Market-based)		26,695		47
	Scope 3 GHG Emissions: Category 1 - Purchased goods and services	305-3	11,201,419		47
	Scope 3 GHG Emissions: Category 3 - Fuel- and energy-related activities (not included in scope 1 or scope 2)		18,412		47
	Scope 3 GHG Emissions: Category 4 - Upstream transportation and distribution		8,519,829		47
	Scope 3 GHG Emissions: Category 5 - Waste generated in operations		8,322		47
	Scope 3 GHG Emissions: Category 6 - Business travel		9,304		47
	Energy consumption within SHEIN-operated facilities	302-1c	243,340	Megawatt hours (MWh)	48
	Percentage of electricity derived from renewable sources for SHEIN-operated facilities		76%	Percentage	44, 48
	Amount of solar energy used across SHEIN-operated facilities		15,105	MWh	48
	Amount of renewable energy from Energy Attribute Certificates (EACs) purchased in 2024		170,200	MWh	48
Training and Education	Number of SRS training sessions organised for SHEIN employees	404-2	7	Number	32
	Number of participants in SRS training sessions organised for SHEIN employees		174	Number	32
	Number of SHEIN employees who completed online courses on forced labour, child labour and decent work through the UNGC Academy and International Training Centre of the ILO (ITCILO) as of end of 2024		47	Number	32



External Assurance

Topic	Indicator Description	GRI Standards 2021	Disclosure	Unit	Page number in the Sustainability and Social Impact Report 2024																					
Materials	Materials used in apparel products (by weight, % of materials portfolio): Polyester	301-1	81.5%	Percentage	55																					
	Materials used in apparel products (by weight, % of materials portfolio): Cotton		6.7%	Percentage	55																					
	Materials used in apparel products (by weight, % of materials portfolio): Viscose		4.6%	Percentage	55																					
	Materials used in apparel products (by weight, % of materials portfolio): Spandex		3.7%	Percentage	55																					
	Materials used in apparel products (by weight, % of materials portfolio): Polyamide		3.3%	Percentage	55																					
	Materials used in apparel products (by weight, % of materials portfolio): Other fiber categories (including linen, acrylic and metallics)		0.2%	Percentage	55																					
	Proportion of overall polyester designated for use by contract manufacturers that is recycled	301-2	6.7%	Percentage	44, 55																					
Waste	Number of SHEIN-operated facilities that divert waste from disposal	306-4	34, including 33 SHEIN-operated warehouses in China and the CIGM in 2024		Number	52																				
	Number of SHEIN-operated facilities that achieved Zero Waste to Landfill Management System certification		7 as of end-2024 (5 facilities, including CIGM and four SHEIN-operated warehouses, were awarded certification in 2024)		Number	52																				
	Total weight of recycled industrial waste materials		<table><tr><th>Category</th><th>Weight (tonnes)</th><th>Disposal</th></tr><tr><td>Cardboard and paper</td><td>38,183.5</td><td rowspan="3">Recycling</td></tr><tr><td>Plastics</td><td>11,084.0</td></tr><tr><td>Textiles waste (Recycled)</td><td>398.1</td></tr><tr><td>Textile waste (Reused)</td><td>223.9</td><td rowspan="2">Reuse</td></tr><tr><td>Others</td><td>7.7</td></tr><tr><td>Energy recovery from waste</td><td>2,230.8</td><td>Waste-to-energy</td></tr><tr><td>Total weight of industrial waste generated</td><td colspan="2">52,128</td></tr></table>		Category	Weight (tonnes)	Disposal	Cardboard and paper	38,183.5	Recycling	Plastics	11,084.0	Textiles waste (Recycled)	398.1	Textile waste (Reused)	223.9	Reuse	Others	7.7	Energy recovery from waste	2,230.8	Waste-to-energy	Total weight of industrial waste generated	52,128		Metric tons
	Category	Weight (tonnes)	Disposal																							
	Cardboard and paper	38,183.5	Recycling																							
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	Energy recovery from waste	2,230.8	Waste-to-energy																							
Total weight of industrial waste generated	52,128																									
Total weight of industrial waste generated in SHEIN-operated facilities	306-3	<table><tr><td>Cardboard and paper</td><td>38,183.5</td><td rowspan="3">Recycling</td></tr><tr><td>Plastics</td><td>11,084.0</td></tr><tr><td>Textiles waste (Recycled)</td><td>398.1</td></tr><tr><td>Textile waste (Reused)</td><td>223.9</td><td rowspan="2">Reuse</td></tr><tr><td>Others</td><td>7.7</td></tr><tr><td>Energy recovery from waste</td><td>2,230.8</td><td>Waste-to-energy</td></tr><tr><td>Total weight of industrial waste generated</td><td colspan="2">52,128</td></tr></table>		Cardboard and paper	38,183.5	Recycling	Plastics	11,084.0	Textiles waste (Recycled)	398.1	Textile waste (Reused)	223.9	Reuse	Others	7.7	Energy recovery from waste	2,230.8	Waste-to-energy	Total weight of industrial waste generated	52,128		Metric tons	52			
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Others	7.7																									
Energy recovery from waste	2,230.8	Waste-to-energy																								
Total weight of industrial waste generated	52,128																									
Breakdown of waste treatment by disposal method, as handled by third-party waste management service providers	306-4 306-5	<table><tr><td>Cardboard and paper</td><td>38,183.5</td><td rowspan="3">Recycling</td></tr><tr><td>Plastics</td><td>11,084.0</td></tr><tr><td>Textiles waste (Recycled)</td><td>398.1</td></tr><tr><td>Textile waste (Reused)</td><td>223.9</td><td rowspan="2">Reuse</td></tr><tr><td>Others</td><td>7.7</td></tr><tr><td>Energy recovery from waste</td><td>2,230.8</td><td>Waste-to-energy</td></tr><tr><td>Total weight of industrial waste generated</td><td colspan="2">52,128</td></tr></table>		Cardboard and paper	38,183.5	Recycling	Plastics	11,084.0	Textiles waste (Recycled)	398.1	Textile waste (Reused)	223.9	Reuse	Others	7.7	Energy recovery from waste	2,230.8	Waste-to-energy	Total weight of industrial waste generated	52,128		Metric tons	52			
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Others	7.7																									
Energy recovery from waste	2,230.8	Waste-to-energy																								
Total weight of industrial waste generated	52,128																									
Percentage of industrial waste that was recycled	306-4	95%	Percentage	52																						
Water	Total water consumption in SHEIN-operated facilities	303-5	1,557,957	Cubic meters	60																					

External Assurance

Topic	Indicator Description	GRI Standards 2021	Disclosure	Unit	Page number in the Sustainability and Social Impact Report 2024		
Conduct	Existence of documented policies on business conduct and whistleblowing approved by SHEIN management and made available to SHEIN employees	2-26	SHEIN also provides a dedicated channel, ethics@shein.com, for the reporting of ethical concerns globally. Reports received are triaged and assigned to either our Internal Control and Internal Audit, Supervision, or Human Resource Compliance teams, depending on the nature of the case.	Qualitative	73		
	Description of measures in the Global Code of Ethics to protect whistleblowers against retaliation		All reports are handled confidentially, and our policies strictly prohibit any retaliation against whistleblowers, including in aspects such as performance appraisals and other employment opportunities. Investigative teams operate independently of anyone in the management chain involved in the matter to ensure impartiality, and eventual investigation findings are reported to our highest leadership levels, along with recommendations on corrective measures.	Qualitative	73		
Own Workforce	Total number of permanent and temporary employees	2-7	>18,000	Number	18		
	Total number of permanent employees (breakdown by gender and age)		18,202	Number	18		
			Male			Female	Not Disclosed
			8,016			8,993	1,193
			Age < 30			Age 30-50	Age > 50
	7,175		8,988	46	1,993		
Total number of temporary employees (breakdown by gender and age)	177	Number	18				
	Male			Female	Not Disclosed		
	64			113	-		
	Age < 30			Age 30-50	Age > 50	Not Disclosed	
-	-	-	177				



External Assurance

Topic	Indicator Description	GRI Standards 2021	Disclosure	Unit	Page number in the Sustainability and Social Impact Report 2024
Own Workforce	Total number of senior management employees (breakdown by gender and age)	405-1	170	Number	18
			MaleFemaleNot Disclosed		
			897110		
			Age < 30Age 30-50Age > 50Not Disclosed		
				10139516	
	Total number of middle management employees (breakdown by gender and age)		1,630	Number	18
			MaleFemaleNot Disclosed		
			849676105		
			Age < 30Age 30-50Age > 50Not Disclosed		
				2291,2757137	
Total number of other employees (breakdown by gender and age)	16,579	Number	18		
	MaleFemaleNot Disclosed				
	7,1428,3591,078				
	Age < 30Age 30-50Age > 50Not Disclosed				
		6,9367,592342,017			
Percentage of senior management, middle management and other employees who are female		Senior management: 44% Middle management: 44% Other employees: 54%	Percentage	20	
Percentage of employees entitled to take family-related leave (i.e. parental care leave, childcare leave, prenatal check-up leave, paternity leave, maternity leave, marriage leave, breastfeeding leave, and bereavement leave)	401-3	100% of permanent employees	Percentage	19	
Total number of training hours for SHEIN's permanent and temporary employees	404-1	>133,000	Hours	19	
Average number of training hours per employee		8	Hours	19	

External Assurance

Appendix 1B

List of Selected Sustainability Information presented in the Group’s Sustainability and Social Impact Report 2024 with reference to Group management’s definition and measurement criteria as described under “Applicable Criteria”.

Topic	Indicator Description	Disclosure	Unit	Applicable Criteria	Page number in the Sustainability and Social Impact Report 2024
Environmental Performance	Solar capacity installed or being installed in SHEIN-operated facilities	56.3	Megawatts (MW)	The solar capacity installed in SHEIN-operated facilities is defined as the rated output (in megawatts) of commissioned and grid-connected solar photovoltaic systems. Only the capacity attributable to the portion of the facilities occupied and operated by SHEIN is reported. The measurement is based on technical specifications provided by the vendor.	48, 53
	Number of SHEIN-operated facilities in China where energy efficiency measures have been implemented in 2024 (“Energy-efficient facilities”)**	23	Number		48, 53
	Projected annual energy savings from the implementation of energy efficiency measures at Energy-efficient facilities**	Estimated annual reduction in electricity consumption: 23,000 MWh Estimated annual reduction in carbon emissions: 13,000 tCO <sub>2</sub> e	MWh, tCO <sub>2</sub> e	The count of facilities that have implemented SHEIN's energy efficiency guidelines, and the projected annual energy savings, delivered and verified by a third-party expert	48
	Solar capacity installed or being installed in suppliers' sites as of end of 2024	114	MW	The solar capacity is defined as the rated output (in megawatts) of commissioned and grid-connected solar photovoltaic systems. The reported capacity includes only systems that are either commissioned or in-progress as declared by suppliers.	50



External Assurance

Topic	Indicator Description	Disclosure	Unit	Applicable Criteria	Page number in the Sustainability and Social Impact Report 2024
Environmental Performance	Number of fabric production factories where energy efficiency measures were initiated (“Energy-efficient fabric production factories”)**	8	Number		50
	Projected annual savings in electricity, natural gas, steam and carbon emissions from energy efficiency measures at Energy-efficient fabric production factories**	Estimated annual reduction in electricity consumption: 10,870 MWh  Estimated annual reduction in natural gas consumption: 194,000 m³  Estimated annual reduction in steam consumption: 73,600 tonnes  Estimated annual reduction in carbon emissions: 36,000 tCO₂e	MWh, m³, tonnes, tCO₂e	The count of fabric production factories that have participated in energy efficiency projects initiated by a third-party expert in partnership with SHEIN, and the projected annual savings in electricity, natural gas, steam and carbon emissions, measured and verified by a third-party expert	50
	Number of supplier sites where energy-saving practices in line with SHEIN’s standardised energy efficiency guidelines have been implemented, and their projected annual energy savings**	Number of supplier sites: nearly 80  Estimated annual reduction in electricity consumption: 2,302 MWh  Estimated annual reduction in carbon emissions: 1,391 tCO₂e	Number, MWh, tCO₂e	The count of supplier sites that have adopted energy efficiency initiatives in accordance with the guidance provided in the SHEIN Energy-Saving Measures Implementation Guide  Projected annual energy savings from the implementation of the SHEIN Energy-Saving Measures Implementation Guide verified by a third-party expert	50
	Existence of activities to promote solarisation for suppliers	We continued to promote the adoption of rooftop solar energy in our supply chain by connecting suppliers with third-party expert consultants who support the suppliers in developing custom solar PV installation plans, and by providing cash incentives to support installations.	Qualitative	Existence of engagement activities initiated by SHEIN, such as supplier surveys, live broadcasts, in-person dialogues, and a cash incentive programme that is designed to support suppliers in developing solar photovoltaic (PV) installation plans	50

External Assurance

Topic	Indicator Description	Disclosure	Unit	Applicable Criteria	Page number in the Sustainability and Social Impact Report 2024
Materials	Proportion of viscose fabrics from 'Green Shirt' rated producers	72.5%	Percentage	% of viscose fabrics from producers who achieved 'Green Shirt' rating as defined in Canopy's Hot Button Report, out of the total viscose fabrics procured, by weight  A 'Green Shirt' indicates that the Man-Made Cellulosic Fibre (MMCF) producer has a low risk of sourcing from Ancient and Endangered Forests.	44, 55
	Deadstock materials procured through Aloqia platform	28,058	Meters	Length of deadstock fabric procured through the Aloqia platform  Deadstock fabric refers to unused textile materials left over from brands and manufacturers.	71
Packaging	Percentage of packaging procured that contained at least 50% preferred materials	17%	Percentage	Packaging made from FSC & GRS material as % of total packaging used (by quantity)  Preferred materials used for packaging are recycled polyethylene and paper packaging not sourced from Ancient and Endangered Forests.	44, 56
	Decrease in average packaging weight per polybag from thickness optimisation	4.37g decrease in average weight of express delivery polybag 0.99g decrease in average weight of garment polybag	Grams	Average decrease in weight of polybag across packaging sizes	56
Product Quality (Apparel)*	Number of chemical safety inspections	189,437	Number	Number of inspections performed by third party laboratories	75
	Number of shrinkage rate inspections	136,117	Number		75
	Number of strength inspections	48,312	Number		75
	Number of colour fastness inspections	329,917	Number		75



External Assurance

Topic	Indicator Description	Disclosure	Unit	Applicable Criteria	Page number in the Sustainability and Social Impact Report 2024
Product Quality (Apparel)*	Percentage of chemical safety, shrinkage rate, strength, and colour fastness inspections achieving a pass result	Chemical safety inspections: 98.3% Shrinkage rate inspections: 89.3% Strength inspections: 95.4% Colour fastness inspections: 96.0%	Percentage	Total number of inspections with a pass outcome divided by the total number of inspections	75
				As an inspection may include a series of tests, the sample is considered to have failed the inspection if any one of the tests conducted fails the relevant testing standard.	
Innovation	Number of training sessions conducted by CIGM for suppliers and number of participants	69 vocational skills training sessions for 1,221 participants 97 technical certification courses for 1,758 participants	Number	Number of conducted CIGM training sessions and the number of participants who completed the training sessions in 2024	69
	Number of patents granted to CIGM and patents pending	11 patents granted 22 patents pending	Number	Patents pending refers to patents filed with the intellectual property regulator in 2024 but not yet granted as of end of 2024.	69
Supply Chain Management in 2024 <sup>i</sup>	Total number of contract manufacturers <sup>ii</sup> who had procurement value <sup>iii</sup> of finished SHEIN-branded products with SHEIN (“SHEIN-branded contract manufacturers”)	>7,200	Number	SRS Policy 4.0 <sup>iv</sup> , 2. Scope	4
	Number of SHEIN-branded contract manufacturers who were subjected to SRS audits that were conducted (“audited SHEIN-branded contract manufacturers”)**	3,192	Number	SRS Policy 4.0, 5.4 Measures and Requirements for Existing Suppliers  Completion of SRS audits are determined based on the date of the SRS audit report.	28
	Procurement value of audited SHEIN-branded contract manufacturers as % of total procurement value of SHEIN-branded products by contract manufacturers	Approximately 95%	Percentage	SRS Policy 4.0, 2. Scope	15, 28
	Total number of annual on-site SRS audits conducted on existing suppliers and subcontractors <sup>i</sup> ("annual SRS audits")**	4,288	Number	SRS Policy 4.0, 5.4.1	15, 28

i The period from 1 January 2024 to 31 December 2024.

ii Refers to all suppliers with registered business entities in China, including contract manufacturers (with direct procurement contracts with SHEIN entities), fabric suppliers, packaging suppliers, and subcontractors.

iii Procurement value of SHEIN-branded products: Value of purchases made by SHEIN from its contract manufacturers for SHEIN-branded products in 2024.

iv SHEIN Responsible Sourcing (SRS) Policy Version 4.0, accessed from: SHEIN Responsible Sourcing Policy - SHEIN Group.

External Assurance

Topic	Indicator Description	Disclosure	Unit	Applicable Criteria	Page number in the Sustainability and Social Impact Report 2024
Supply Chain Management in 2024 <sup>i</sup>	Number of annual SRS audits conducted on fabric suppliers, packaging suppliers, and subcontractors**ii	714	Number	SRS Policy 4.0, 5.4.1 and 5.5. Subcontractor SRS Management	28
	Number of annual SRS audits conducted on contract manufacturers**ii	3,574	Number	SRS Policy 4.0, 5.4.1	28
	Value of purchases of fabrics procured by contract manufacturers through SHEIN's fabric library from fabric suppliers subjected to annual SRS audits as % of total procurement value by contract manufacturers from fabric suppliers <sup>iii</sup>	86%	Percentage	SRS Policy 4.0, 2. Scope	28
	Value of purchases of packaging procured by SHEIN for use by contract manufacturers from packaging suppliers subjected to annual SRS audits as % of total procurement value of packaging purchased by SHEIN for use by contract manufacturers <sup>iii</sup>	83%	Percentage	SRS Policy 4.0, 2. Scope	28
	% of annual SRS audits conducted by SHEIN's partner third-party verification agencies or third-party auditors for external social compliance programmes**	On-site audit by SHEIN's partner third-party verification agencies - 87%	Percentage	SRS Policy 4.0, 5.1.2	26, 28
		On-site audit by third-party auditors for external social compliance programmes (e.g. SMETA, SA8000, Amfori BSCI, SLCP, WRAP) converted <sup>v</sup> into SRS audit report based on findings - 12%			
	% of annual SRS audits - Grade A**	13%	Percentage	SRS Policy 4.0, 5.2.1	28
	% of annual SRS audits - Grade B**	34%	Percentage	SRS Policy 4.0, 5.2.1	28
	% of annual SRS audits - Grade C**	45%	Percentage	SRS Policy 4.0, 5.2.1	28
	% of annual SRS audits - Grade D**	7%	Percentage	SRS Policy 4.0, 5.2.1	28
	% of annual SRS audits - Grade E**	1%	Percentage	SRS Policy 4.0, 5.2.1	28
	% of annual SRS audits where Immediate Termination Violations (ITVs) or Immediate Remediation Violations (IRVs) were identified**	Approximately 1%	Percentage	SRS Policy 4.0, 3.4. 3.5.	28

<sup>v</sup> Conversions are made in accordance with SHEIN's internal procedures for external social audit conversion.



External Assurance

Topic	Indicator Description	Disclosure	Unit	Applicable Criteria	Page number in the Sustainability and Social Impact Report 2024																							
Supply Chain Management in 2024 <sup>i</sup>	Number of ITV and IRV cases that were identified, which either resulted in supplier termination or were remediated within the required timeline of 30 days, in accordance with SHEIN's SRS Policy**	A total 49 ITVs and IRVs were identified in 2024, and all have either been remediated within the required timelines or have resulted in the termination of our business relationship with the supplier or subcontractor, in accordance with our SRS Policy	Number	SRS Policy 4.0, 3.4. 3.5. 5.4.3 - 5.4.6 6.2.1 – 6.2.2	28																							
	Number of business relationships with suppliers and subcontractors terminated in accordance with SRS Policy, and related termination reasons**	<table><tr><th rowspan="2">Reasons for termination</th><th colspan="3">Number of Business Relationships Terminated</th></tr><tr><th>Tier 1</th><th>Tier 2</th><th>Subcontractors</th></tr><tr><td>ITV identified</td><td>2</td><td>-</td><td>-</td></tr><tr><td>Failure to remediate IRV in 30 days</td><td>2</td><td>1</td><td>1</td></tr><tr><td>E grade in two consecutive SRS audits</td><td>1</td><td>-</td><td>-</td></tr><tr><td>Three D grades within 24 months</td><td>3</td><td>1</td><td>1</td></tr></table>	Reasons for termination	Number of Business Relationships Terminated			Tier 1	Tier 2	Subcontractors	ITV identified	2	-	-	Failure to remediate IRV in 30 days	2	1	1	E grade in two consecutive SRS audits	1	-	-	Three D grades within 24 months	3	1	1	Number	SRS Policy 4.0, 5.4.3 – 5.4.6	28
		Reasons for termination		Number of Business Relationships Terminated																								
			Tier 1	Tier 2	Subcontractors																							
		ITV identified	2	-	-																							
		Failure to remediate IRV in 30 days	2	1	1																							
	E grade in two consecutive SRS audits	1	-	-																								
Three D grades within 24 months	3	1	1																									
% of annual SRS audits conducted on an unannounced basis**	100% on-site audits conducted directly by SHEIN's in-house SRS auditors or partner third-party verification agencies were unannounced.	Percentage	SRS Policy 4.0, 5.1.1	28																								
Number of group SRS workshops for suppliers organised and completed	107	Number	SRS Policy 4.0, 7. Supplier Empowerment	15, 32																								
Number of one-on-one SRS training sessions for suppliers organised and completed	1,212	Number	SRS Policy 4.0, 7. Supplier Empowerment	15, 32																								
Number and type of grievance complaints received through SHEIN's established channels <sup>vi</sup>	Wages and Compensation – 25 Worker Benefits – 4 Commercial Disputes – 4 Corruption and Bribery – 1 Total – 34	Number	Total number of grievance complaints received via SHEIN's established channels and classified based on nature and severity, in line with SHEIN's internal procedures for grievance management	31																								

vi Established channels refer to SHEIN’s ESG-CSR email, hotline, official WeChat account and grievances received by other departments that are routed to the ESG department.

External Assurance

Topic	Indicator Description	Disclosure	Unit	Applicable Criteria	Page number in the Sustainability and Social Impact Report 2024
Supply Chain Management in 2024 <sup>i</sup>	Number of grievance complaints received through SHEIN's established channels that have been resolved	34	Number	A grievance complaint is considered resolved when a mutually agreed solution has been reached between the supplier and the grievant, or when the case has been referred to external mediation or arbitration, in line with SHEIN's internal procedures for grievance management.	31
	Number of supplier factories that completed upgrades in accordance with SHEIN's model factory standards	40	Number	SHEIN's model factory standards, which outline structural and interior specifications for factory upgrades, with completion evidenced through a construction completion report confirming compliance	15, 32
	Number of square meters of upgraded supplier workspace in accordance with SHEIN's model factory standards	Approximately 90,000	Square meters	SHEIN's model factory standards, which outline structural and interior specifications for factory upgrades, with the area evidenced through floor area confirmation, indicating the total square meters upgraded	15, 32
	Number of childcare centres in operation supported by SHEIN through operation or financial contribution	25	Number	The reported number represents childcare centres that were supported by SHEIN through operational or financial support	33
	Total dollar amount invested by SHEIN to support the operation of childcare centres	Approximately US\$320,000	Dollars	The total dollar amount invested by SHEIN, based on cash transferred to the bank accounts of childcare centres to support their operations	33
	Number of children of suppliers' workers who attended childcare centres	Over 1,000	Number	The number of individual children of suppliers' workers who utilised childcare services at least once in 2024 at centres supported or operated by SHEIN	33
	Number of summer camps organised for children of suppliers' workers	3	Number	The reported number represents summer camps that were conducted and completed	33



External Assurance

Topic	Indicator Description	Disclosure	Unit	Applicable Criteria	Page number in the Sustainability and Social Impact Report 2024
Supply Chain Management in 2024 <sup>i</sup>	Number of children of suppliers' workers who participated in summer camps organised by SHEIN	Over 320	Number	The reported number represents number of children of suppliers' workers participated in summer camps that were conducted, with each camp having a defined programme, duration, and participant list.	33
	Amount of financial grants disbursed under the SHEIN Spotlight programme	More than US\$185,000	Dollars	The total cash amount of financial grants disbursed as direct monetary support to eligible suppliers' workers through the SHEIN Spotlight programme  Eligible workers must have at least 6 months of employment. A 1-year waiting period applies for reapplication after receiving a grant.	15, 33
	Number of families who received financial grants under the SHEIN Spotlight programme	236	Number	The reported number represents the total number of unique families that received financial grants from the SHEIN Spotlight programme.	15, 33

\* Our procedures did not include the validation of the conclusions included in these product inspections performed by third-party experts and independent labs. Our testing objective is to check whether the Group reported the number of product inspections and percentage with a pass result according to the factual outcomes of inspections. Therefore, no assurance is given to the results of the product inspections prepared by third-party experts and independent labs.

\*\* Our procedures did not include the validation of the conclusions included in these supplier audit reports prepared by verification agencies hired by SHEIN Group or by SHEIN itself. Our testing objective is to check whether the Group reported the SRS audit information according to the audit reports prepared by verification agencies or by SHEIN itself only. Therefore, no assurance is given to the result of SRS audit prepared by verification agencies or the Group.

\*\*\* Our procedures did not include the validation of the conclusions included in these projected annual savings in energy performed by third-party experts in partnership with SHEIN. Our testing objective is to check whether the Group reported the projected annual savings according to the factual number stated in the expert report. Therefore, no assurance is given to the result of the projected annual savings prepared by third-party experts.

External Assurance

Appendix 2

SHEIN's Reporting and Scoping Boundary of the Selected Sustainability Information

GHG Accounting Scope and Methodology

The greenhouse gas (GHG) quantification method and process are in accordance with ISO14064-1:2018 and the GHG Protocol.

SHEIN uses the operational control approach in conformance with the GHG Protocol to report its energy and emissions metrics for the facilities, including offices and warehouses, where SHEIN has operational control.

Estimation & Calculation Methods

**Scope 1**  
Scope 1 comprises direct emissions generated in SHEIN operating sites, including emissions from fossil fuel combustion (both stationary sources and mobile sources), refrigerants and fire extinguishers. Greenhouse gases included in the calculation are CO2, CH4, N2O, HFCs (HFC-32, HFC-125, HFC-134a, HFC-143a, HFC-236fa, HFC-227ea).

Emission factors of fossil fuels combustion are derived from national standards/ guidance where the operating sites are located in. Where national emissions factors are not available, default factors from IPCC Guidelines for National Greenhouse Gas Inventories (hereinafter IPCC Guidelines) are applied.

Fugitives from refrigerants and fire extinguishers are calculated using emissions factors and methods from IPCC Guidelines. For refrigerants, fugitive emissions are estimated based on the quantity of refilled refrigerant, calculated using the rated refrigeration capacity of each ACMV system.

For fire extinguishers, all potential emissions are included in the first year of installation. Fugitive emissions from fire extinguishers only account for new purchases, resulting in a decrease in total fugitive emissions in 2024. For facilities where activity data is unavailable, estimates were derived using prior-year data or proxy data from facilities located in the same region and comparable gross floor area, in order to provide a reasonable basis for the reported information.

Fugitive emissions from septic systems are not included in 2024 due to limited accessibility to the activity data and indirect control over their generation.

**Scope 2**  
Scope 2 comprises indirect emissions from purchased electricity consumed in SHEIN's operating sites.

The market-based emissions reflect the GHG emissions associated with the specific choices SHEIN has made with electricity suppliers or product, mainly renewable electricity. The renewable electricity includes onsite solar consumed, and electricity purchased via Energy Attribute Certificates (EACs) as well as nuclear energy, as described in the market-based emissions table and EACs procurement on page 47-48. SHEIN can confirm that all the EACs have met the GHG protocol quality criteria, and been procured from unsubsidised wind/photovoltaic projects in the same country of the operation sites for geographic alignment.

The emission factors of the market-based emissions are regional/country-specific emission factors, or the emissions profiles associated with EACs. For the residual emissions from the grid in China other than the renewable electricity, the 2022 market-based grid emission factor published by the Chinese Ministry of Environment, which excludes market-traded non-fossil electricity, has been used. For facilities where activity data is unavailable, estimates were derived using prior-year data or proxy data from facilities located in the same region and comparable gross floor area, in order to provide a reasonable basis for the reported information.

The location-based emissions use average emission factors for the electricity grids that are providing electricity to the facility, which mainly are IEA emissions factors 2023 edition.

**Scope 3**  
Category 1 – Purchased Goods and Services  
This category comprises the emissions from the supply chain of products purchased by SHEIN, consumables in SHEIN warehousing activities and purchased data services. The emissions from the product supply chain are calculated using the total weight, material composition or the cost of products purchased in the reporting year.

For products with designated material sourcing channels, the emissions are calculated based on the material composition of the product, the standard weight of each product unit and the procurement amount. Emission factors are derived from SHEIN's 2024 life cycle assessment results (LCA, page 58), where the selected LCA samples have high representativeness withare considered highly representative of the purchased products. Where such representativeness is not established, emission factors from external life-cycle assessment databases (e.g. Ecoinvent) are used.

For other products, where the compositions information is not available, mainly non-apparel products, the spend-based method is applied using the purchased cost of the products as the activity data. The emission factors are assigned based on product categories from the US EEIO Commodity Emissions Factors Database.

The emissions from two major purchased services have been included, which are data services and advertising services. The data service emissions are SHEIN-specific data directly from contracted data service providers. Advertising services, including pop-up stores and other offline events, are calculated by the total cost of the services using the spend-based method of EEIO emissions factors.



External Assurance

Category 3 – Fuel and Energy-Related Activities (Not Included in Scope 1 or Scope 2)

This category includes emissions related to the production of fuels and energy purchased and consumed by SHEIN in the reporting year that are not included in scope 1 or scope 2, mainly upstream emissions and transmission & distribution (T&D) losses. We continued applying the Scope 2 market-based approach to calculate this category, i.e., calculating upstream emissions by the type of grid power, onsite photovoltaic power, and EACs products (including photovoltaic and wind power) and nuclear energy that we procured.

Emission factors applied for category 3 are mainly from the IEA Database, Ecoinvent Database and the UK Department for Environment, Food & Rural Affairs (DEFRA) Emission Factor Database according to energy type.

Category 4 – Upstream Transportation and Distribution

This category includes all upstream transportation and distribution emissions, i.e. those which are directly purchased by SHEIN. This comprises inbound transportation of purchased products to SHEIN operating sites, transportation of sold products (i.e. outbound and of returns) with the customers, and transportation between SHEIN’s warehouses.

This category mainly uses a distance-based methodology, as most of our transportation service providers are not able to provide direct data of fuel consumption. This method calculates carbon emissions primarily based

on the transport distance by different types of transport, as well as the total weight of the transports. The activity data, mainly including the total weight of products and transport distances are directly sourced from the TMS logistics system of SHEIN. The transport distances have been automatically calculated through location using Google Maps API within the TMS system. In a few scenarios where automatic calculation is not successful, a sampling will be performed to obtain the corresponding distance data.

Emission factors applied for category 4 are mainly from the UK DEFRA Emission Factor Database according to the transportation mode and data type.

In accordance with the SBTi requirement, all transport-related emissions across all sectors must be reported on a well-to-wheel (WTW) basis in GHG inventory.

Category 5 – Waste Generated in Operations

This category comprises the emissions attributed to industrial waste generated in SHEIN operating facilities. This includes SHEIN’s warehouse operations and Centre of Innovation for Garment Manufacturing in China. The weight, type (composition) and waste treatment methods used for calculation are provided by SHEIN’s recycling partners. The emissions factors from the US Environmental Protection Agency Emission Factors for Greenhouse Gas Inventories are used to calculate the emissions.

Category 6 – Business Travel

This category comprises transportation utilized for business travel by employees which had been paid or reimbursed by SHEIN in the reporting year, i.e. regular employees, interns, and dispatched employees globally.

The emissions of business travel are calculated using two methods: for business travel booked through SHEIN’s internal designated platform, the total kilometres travelled by air and by car are used to calculate the emissions using a distance-based method; for other business travel expenses, including airfares, train tickets, and car rentals, etc., a spend-based method is applied based on business travel expense claims made by employees in the reporting year.

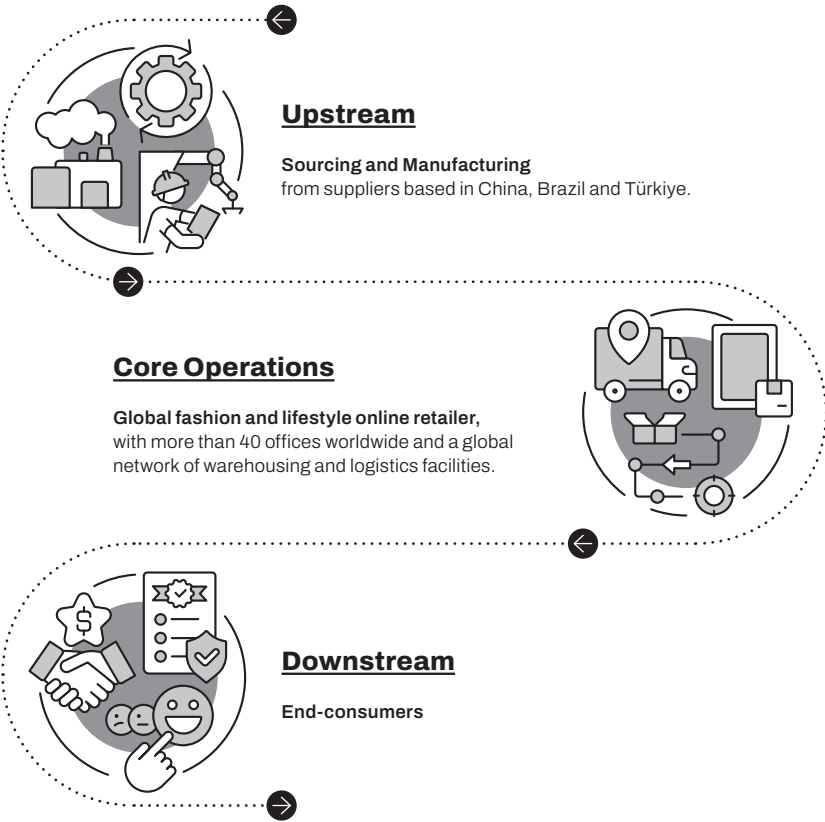
For business travel with distance data, the total kilometres by air or by car are multiplied by the corresponding emission factor from the UK DEFRA Emission Factor Database. The spent amount differentiated by type of vehicle used is multiplied by the emission factor from the US EEIO Commodity EF Database.

In accordance with the SBTi requirement, all transport-related emissions across all sectors must be reported on a well-to-wheel (WTW) basis in GHG inventory.

Materiality Assessment Approach and Methodology

Identifying Sustainability Matters

Our assessment began with mapping SHEIN’s business activities and business relationships, value chain, and affected stakeholders. Benchmarking against a comprehensive review of established parameters, we were able to identify relevant sustainability matters and map them to the topics outlined in ESRS 1, paragraph AR 16<sup>i</sup>.



This benchmarking exercise included an industry perspective, where we analysed sustainability reports from peer organisations within the e-commerce, fashion, and online retail sectors. We considered ESG regulatory expectations to anticipate emerging requirements and stakeholder expectations outlined in regulations such as the EU’s Corporate Sustainability Due Diligence Directive (CSDDD). To gain a broader view of public perception and emerging ESG issues relevant to us, the benchmarking process also incorporated a review of news and media reports. This helped to identify potential risks and opportunities that might not have been captured through traditional reporting channels. Additionally, we considered the alignment of the material topics with established reporting standards, such as the GRI, the ESRS, and the Sustainability Accounting Standards Board (SASB).

By combining these diverse perspectives, we were able to gain valuable insights into the ESG landscape and identify the issues most crucial to our business and stakeholders.

Stakeholder Engagement

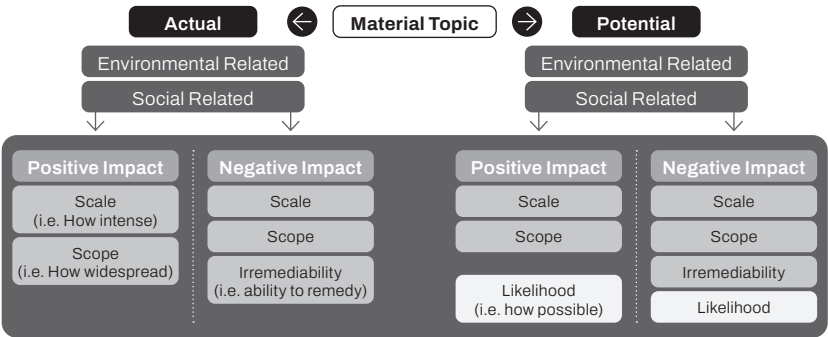
As emphasised in the ESRS, stakeholder engagement is crucial for understanding the full range of sustainability impacts and concerns relevant to our business. It allows us to identify and prioritise ESG issues that not only affect our own operations but also those of our stakeholders and broader society.

To facilitate effective engagement with a broad spectrum of stakeholders across our value chain, we employed two principal modes of interaction. Surveys, offered in multiple languages, allowed us to collect quantitative data on a broad scale, capturing the views of a large number of stakeholders across different regions and roles. In-depth interviews provided qualitative insights, enabling a more nuanced understanding of the perspectives of key stakeholders. For this assessment, we engaged with a diverse group of internal and external stakeholders, including our employees, SHEIN advisors, commercial partners, industry associations, NGOs, industry experts, sustainability partners, and social impact partners. This multi-faceted approach ensured that we captured the breadth and depth of stakeholder perspectives.

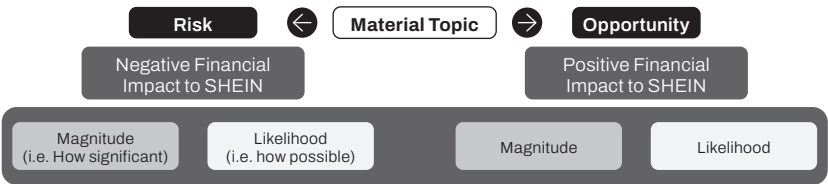
Scoring Approach

Guided by ESRS 1, our materiality assessment utilised a scoring methodology and criteria that reflect the principle of double materiality, which considers:

- Impact materiality:** Scale, scope, irremediability, and likelihood of impacts (based on whether an impact is positive/negative and actual/potential).



- Financial Materiality:** Financial magnitude and likelihood of risk/opportunity.



To ensure a balanced perspective, we applied equal weight to the input from both internal and external stakeholders. Similarly, we weighted the severity and likelihood scores equally when evaluating impacts, risks, and opportunities.

To determine materiality, we established a threshold aligned with SHEIN’s strategic objectives and stakeholder expectations, informed by our earlier engagement activities. This threshold was applied to the identified impacts, risks, and opportunities, and their associated topics. Sustainability matters were deemed material if they met or exceeded this threshold, which was based on aggregated likelihood and severity scores, as well as the selection frequency of the sustainability matter.

<sup>i</sup> ESRS Application Requirement 16 (AR 16) provides an overview of the sustainability topics, sub-topics and sub-sub-topics (collectively “sustainability matters”) covered by topical ESRS.



Materiality Assessment Approach and Methodology

Material Impacts, Risks, and Opportunities

The material impacts, risks, and opportunities were mapped to the topical ESRS E1 Climate Change, E5 Resource Use and Circular Economy, S2 Workers in the Value Chain, S4 Consumers and End-Users, and G1 Business Conduct, all of which are covered in this sustainability and social impact report. The tables below provide concise descriptions of our material impacts, risks, and opportunities. For detailed information on how we manage and mitigate these risks, please refer to the relevant sections under “People”, “Planet”, “Process”, and “Governance” as indicated below.

E1 Climate Change

	Type	Location in Value Chain			Time Horizon <sup>ii</sup>		
		Upstream	Own Operations	Downstream	Short term	Medium term	Long term
<b>Value Chain GHG Emissions</b> Our carbon footprint is predominantly comprised of Scope 3 emissions, which are largely attributable to supply chain activities, transportation, and other activities beyond SHEIN’s direct control. SHEIN actively collaborates with our suppliers and other value chain partners to address these areas.	Actual Negative Impact	•		•	•	•	•
<b>GHG Emissions from Own Operations</b> SHEIN’s own operations contribute to GHG emissions, primarily from electricity usage in our offices and warehouses. To mitigate this impact, SHEIN aims to better manage and reduce electricity consumption while expanding our use of renewable energy.	Actual Negative Impact		•		•	•	•
<b>Physical Effects of Changing Climate</b> Exposure to changing conditions in SHEIN’s regions of operations may result in acute and chronic physical risks, as modelled in the Risilience Hazard Atlas. <sup>iii</sup> For more details, please refer to <b>page 46</b> of the “Planet” section.	Risk	•	•			•	•
<b>Demand-Responsive Manufacturing Model</b> SHEIN’s business model has been designed to optimise production, resulting in a more efficient use of resources. This approach has contributed to our ability to minimise waste and maximise returns, giving us a competitive advantage.	Actual Positive Impact		•	•	•	•	•
<b>Waste Generated in Production</b> As a large-scale e-commerce retailer, SHEIN faces the challenge of managing significant waste streams, primarily composed of textile offcuts and packaging materials within our supply chain. While our on-demand business model inherently reduces waste from excess unsold inventory, we have also adopted an automated fabric management system within our supply chain to increase accuracy of fabrics required for production and reduce excess fabric waste.	Actual Negative Impact	•	•	•	•	•	•

<sup>ii</sup> Time horizons are defined as: Short-term (within the current reporting year), Medium-term (from the end of the short-term reporting period up to 5 years.), and Long-term (more than 5 years).

<sup>iii</sup> The Risilience Hazard Atlas is a feature of Risilience, a climate risk and analytics platform developed by the University of Cambridge Centre for Risk Studies. The Atlas visually maps and analyses global climate hazards, enabling companies to assess their exposure and build resilience.

Materiality Assessment Approach and Methodology

E5 Resource Use and Circular Economy

	Type	Location in Value Chain			Time Horizon		
		Upstream	Own Operations	Downstream	Short term	Medium term	Long term
<b>Waste Generated by Customers</b> Customer behaviour and more specifically, how our customers may choose to use their clothing before discarding at the end of life is beyond SHEIN’s immediate control. Nonetheless, we are launching a series of initiatives to minimise the environmental footprint of products that we put into the market and to encourage our customers to adopt behaviours that extend the life cycle of their SHEIN clothing, including increasing our use of recycled materials, launching a peer-to-peer resale clothing platform, SHEIN Exchange, and piloting take-back programs to collect used clothing for recycling.	Actual Negative Impact			•	•	•	
<b>Reputational Risk arising from Perceived ‘Buy-and-Toss’ Culture among Customers</b> The public perception that SHEIN promotes a culture of disposable fashion amongst our customers has the potential to negatively impact the brand’s long-term reputation and sales. We seek to encourage our customers to engage in more circular behaviour and have launched initiatives such as SHEIN Exchange to support this. We have also conducted surveys to better understand our customers’ habits and how they engage with circularity.	Risk		•	•	•	•	•
<b>Risk from Evolving Extended Producer Responsibility Regulations</b> SHEIN faces significant financial and operational risk due to the growing implementation of Extended Producer Responsibility regulations for an increasing number of product categories in key markets. This trend will lead to increases in compliance and business costs for SHEIN. While complying with applicable regulations, we are also continuously monitoring the evolving regulations to identify opportunities for optimising our production processes and product offerings in order to manage compliance costs.	Risk	•	•	•	•	•	•
<b>Opportunity to Capture Growing Demand for Sustainable Fashion</b> SHEIN is uniquely positioned to drive industry-wide change by demonstrating the viability of reducing, reusing, and recycling through the use of innovative technologies, alongside supply chain optimisation. Successfully implementing alternative production technologies, including in textile-to-textile recycled materials, will allow SHEIN to differentiate ourselves as customer demand for environmentally responsible fashion increases.	Opportunity	•	•	•		•	•

Materiality Assessment Approach and Methodology

S2 Workers in the Value Chain

	Type	Location in Value Chain			Time Horizon		
		Upstream	Own Operations	Downstream	Short term	Medium term	Long term
<b>Empowering Suppliers through Collaborative Partnerships</b> SHEIN actively collaborates with our suppliers to foster mutually beneficial partnerships and support their growth. We offer competitive prices, timely payments, and provide access to technology solutions for efficient production planning. Regular training, feedback, and initiatives such as the Supplier Community Empowerment Program also support the financial health and wellbeing of suppliers and their workers.	Actual Positive Impact	•			•	•	•
<b>SHEIN’s Potential in Sustainable Supply Chain Transformation</b> By strategically leveraging our market influence, SHEIN has the potential to influence material producers and other key supply chain partners to adopt ethical and environmentally responsible choices, generating positive impacts for both people and the planet.	Potential Positive Impact	•		•		•	•
<b>Reputational and Operational Risk from Non-Compliance with Labour Standards</b> SHEIN faces risks from negative public perception regarding supply chain labour practices. Failure to properly manage these risks may impact customer trust and partner relationships. SHEIN exercises significant caution in this area and maintains labour standards within the supply chain through the Supplier Code of Conduct, Supplier Responsibility Standards, and risk-based supply chain audits. We take mitigating actions to reduce adverse impact on suppliers and supply chain workers, as well as on SHEIN’s business operations, in situations where partnerships have to be terminated due to suppliers’ violations of SHEIN’s requirements.	Risk	•	•		•	•	•
<b>Opportunity from Supply Chain Verification and Mitigating Greenwashing Claims</b> Proactive supply chain verification presents a key opportunity for SHEIN to enhance brand trust, address concerns regarding greenwashing and human rights, and expand our market reach by attracting a growing base of socially conscious consumers. SHEIN is continuously updating our approach in line with relevant greenwashing legislation.	Opportunity	•	•		•	•	•



Materiality Assessment Approach and Methodology

S4 Consumers and End-Users

	Type	Location in Value Chain			Time Horizon		
		Upstream	Own Operations	Downstream	Short term	Medium term	Long term
<b>Compliance of Products with Safety and Quality Standards</b> SHEIN operates across many jurisdictions with varying national safety standards. At the same time, SHEIN's operation of a hybrid model offering products from a network of Marketplace sellers and brands, alongside our own-branded products, poses challenges in ensuring uniform product safety compliance across all products offered on our platform, especially given our limited control over Marketplace sellers and brands. SHEIN has implemented due diligence processes to ensure compliance with applicable protocols across various jurisdictions, encompassing mandatory chemical safety requirements, supplemented by sample testing of products, as well as documentation and tracking of Marketplace sellers' compliance with protocols.	Actual Negative Impact	•	•	•	•	•	•
<b>Operational and Reputational Risk due to Non-Compliance with Product Quality and Chemical Safety</b> Operational and reputational risks may arise if products do not meet the various national standards where our products are sold. To uphold customer expectations and product standards, SHEIN sets rigorous internal standards for product quality and takes immediate corrective action if there is an incident of verified non-compliance. SHEIN has also engaged third-party agencies to conduct safety tests throughout the production cycle.	Risk	•	•	•	•	•	•
<b>Regulatory and Market Risk due to the Disclosure of Product Materials</b> The potential for increased transparency requirements under the EU's Digital Product Passport initiative may present regulatory and market access risks if SHEIN is unable to disclose detailed information relating to the materials used in production, especially more upstream in the production cycle. SHEIN is currently enhancing our understanding of the data requirements and processes needed to ensure transparent disclosure of product materials.	Risk	•	•	•		•	•

Materiality Assessment Approach and Methodology

G1 Business Conduct

	Type	Location in Value Chain			Time Horizon		
		Upstream	Own Operations	Downstream	Short term	Medium term	Long term
<b>Reputational Risk from Regulatory Non-Compliance</b> As the regulatory landscape evolves, there is increased media attention and scrutiny on complying with the laws and regulations, particularly those related to human rights due diligence in the EU and forced labour in various markets. To maintain investor and consumer confidence, SHEIN proactively monitors the applicable laws and regulations in the markets in which we operate to identify and mitigate compliance risks. SHEIN also conducts regular stakeholder engagement to adapt and strengthen our corporate governance practices.	Risk	•	•		•	•	•

Our Contributions to the UN SDGs







UN SDG	Some of our supporting initiatives	
<div>4</div> <div>QUALITY EDUCATION</div> <div></div>	<b>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</b>	<ul style="list-style-type: none"><li>In 2024, SHEIN invested around US\$2.1 million on employee training and upskilling, through both in-person workshops and online courses made available through SHEIN Academy.</li><li>In total, SHEIN organised around 4,500 structured group training sessions for more than 16,000 employees globally.</li></ul>
<div>5</div> <div>GENDER EQUALITY</div> <div></div>	<b>Achieve gender equality and empower all women and girls</b>	<ul style="list-style-type: none"><li>Women make up about 53% of SHEIN’s global workforce, including 44% of senior management, 44% of middle management, and 54% of other employee levels.</li><li>Two out of SHEIN’s four co-founders are women.</li></ul>
<div>6</div> <div>CLEAN WATER AND SANITATION</div> <div></div>	<b>Ensure availability and sustainable management of water and sanitation for all</b>	<ul style="list-style-type: none"><li>SHEIN’s supplier energy efficiency and manufacturing innovation projects focus on improving process efficiencies to reduce energy, water, and chemical usage, as well as waste generated in the manufacturing process.</li><li>SHEIN is expanding its use of digital thermal transfer printing, a zero-water-waste printing method; and of Cool Transfer Denim Printing, which reduces water usage by over 70% compared to conventional denim manufacturing methods.</li></ul>
<div>7</div> <div>AFFORDABLE AND CLEAN ENERGY</div> <div></div>	<b>Ensure access to affordable, reliable, sustainable and modern energy for all</b>	<ul style="list-style-type: none"><li>SHEIN implements measures to optimise energy consumption across SHEIN-operated facilities, such as switching to more energy-efficient lighting and implementing timed lighting and air conditioning systems.</li><li>SHEIN promotes the adoption of rooftop solar energy in our supply chain by developing custom solar PV installation plans for suppliers’ facilities, and by providing cash incentives to support installations.</li></ul>
<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<b>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</b>	<ul style="list-style-type: none"><li>Under the Supplier Community Empowerment Program, SHEIN has invested more than US\$33 million into initiatives that enhance facilities and provide training, upskilling and other support to suppliers and their workers.</li><li>One such initiative is the SHEIN Spotlight programme, which provides financial assistance to workers of suppliers who are facing economic difficulties.</li></ul>
<div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div></div>	<b>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</b>	<ul style="list-style-type: none"><li>The SHEIN X programme helps independent designers launch fashion collections by handling aspects such as product development, marketing, and logistics.</li><li>SHEIN’s Centre of Innovation for Garment Manufacturing develops waste reduction and efficiency enhancing technologies which can be implemented across the supply chain.</li><li>SHEIN continues to refine its on-demand business model enabled by a digitalised supply chain, to keep excess inventory waste low.</li></ul>



Our Contributions to the UN SDGs



UN SDG	Some of our supporting initiatives	
	<b>Ensure sustainable consumption and production patterns</b>	<ul style="list-style-type: none"><li>The evoluSHEIN by Design product initiative seeks to promote responsible use of resources across the product manufacturing and delivery process, from choice of materials, to selection of suppliers, and choice of packaging.</li><li>SHEIN's peer-to-peer resale platform, SHEIN Exchange, currently offers our customers in France, Germany, the UK, and the USA, an opportunity to extend the life cycle of their products.</li><li>SHEIN has run clothing takeback programmes in several markets, and downcycles or remakes internal textile waste into insulation material or corporate products such as canvas bags.</li></ul>
	<b>Take urgent action to combat climate change and its impacts</b>	<ul style="list-style-type: none"><li>In 2024, SHEIN secured approval from the SBTi for our near-term science-based emissions reduction targets.</li><li>SHEIN also committed to setting long-term emissions reduction targets with the SBTi in line with reaching net-zero by 2050, and submitted these targets for SBTi's validation. Our net-zero target was approved by the SBTi in May 2025.</li></ul>
	<b>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</b>	<ul style="list-style-type: none"><li>SHEIN is committed to ensuring that all directly-sourced viscose used in SHEIN-branded products is from producers that do not use wood from Ancient and Endangered Forests by 2025.</li><li>SHEIN has piloted the use of lower-impact Next Gen MMCF alternatives, such as Lenzing TENCEL™ Modal and Regraccell® materials.</li><li>Through its partnership with Aloqia, SHEIN has increased the amount of rescued deadstock material used in our products.</li></ul>
	<b>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</b>	<ul style="list-style-type: none"><li>SHEIN collaborates with member firms of the Association of Professional Social Compliance Auditors (APSCA) to conduct direct audits on our supply chain. In 2024, 4,288 annual SRS audits were conducted in China.</li><li>SHEIN Cares is our philanthropic commitment to support important causes and organisations. In 2024, we donated over US\$6.4 million to support local organisations driving positive community impact.</li><li>The SHEIN Foundation was established in 2024, dedicated to supporting organisations which are committed to improving lives in communities, protecting biodiversity and advancing sustainable change.</li><li>SHEIN supported the Or Foundation's work in Ghana, and made grants to The UnTours Foundation to support textile waste management efforts in Cambodia.</li><li>SHEIN Foundation supported Africa Collect Textiles Foundation to promote the donation of used textiles and recycling in Kenya.</li></ul>

GRI Content Index

Statement of Use	SHEIN Group has reported the information cited in this GRI content index for the period from 1 January to 31 December 2024 with reference to the GRI Standards
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure Title	Location and Page Number
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational details	About Us, page 4
	2-2 Entities included in the Organization’s Sustainability Reporting	About This Report, page 5
	2-3 Reporting Period, Frequency and Contact Point	About This Report, page 5
	2-4 Restatements of Information	About This Report, page 5
	2-5 External Assurance	About This Report, page 5 Annex: External Assurance, page 77-92
	2-6 Activities, Value-Chain and Other Business Relationships	About Us, page 4
	2-7 Employees	People: Equitable Empowerment > Nurture Our People, page 18
	2-8 Workers who are not employees	People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 23
	2-9 Governance structure and composition	ESG Governance Approach, page 11
	2-10 Nomination and selection of the highest governance body	ESG Governance Approach, page 11
	2-11 Chair of the highest governance body	ESG Governance Approach, page 11
	2-12 Role of the highest governance body in overseeing the management of impacts	ESG Governance Approach, page 11
	2-13 Delegation of responsibility for managing impacts	ESG Governance Approach, page 11
	2-14 Role of the highest governance body in sustainability reporting	ESG Governance Approach, page 11
	2-16 Communication of critical concerns	ESG Governance Approach, page 11
	2-17 Collective knowledge of the highest governance body	ESG Governance Approach, page 11
	2-22 Statement on sustainable development strategy	A Note From Our CEO, page 3
	2-23 Policy Commitments	People: Equitable Empowerment, page 14 Planet: Collective Resilience, page 43 Process: Waste-Less Innovation, page 62 Governance: Accountable Leadership, page 72

GRI Content Index

GRI Standard	Disclosure Title	Location and Page Number
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	People: Equitable Empowerment, page 14 Planet: Collective Resilience, page 43 Process: Waste-Less Innovation, page 62 Governance: Accountable Leadership, page 72
	2-25 Processes to remediate negative impacts	People: Equitable Empowerment, page 14 Planet: Collective Resilience, page 43 Process: Waste-Less Innovation, page 62 Governance: Accountable Leadership, page 72
	2-26 Mechanisms for seeking advice and raising concerns	People: Equitable Empowerment > Enable Self-Expression for All, page 17 People: Equitable Empowerment > Nurture Our People, page 20 People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 31 Governance: Accountable Leadership > Responsible Business Practices > Business Integrity and Ethics, page 73
	2-27 Compliance with laws and regulations	Governance: Accountable Leadership > Responsible Business Practices, page 73
	2-28 Membership associations	Stakeholder Engagement And Collaboration, page 12
	2-29 Approach to stakeholder engagement	Stakeholder Engagement And Collaboration, page 12-13
Topic Specific Disclosures		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality: Identifying Priority Areas, page 6-7 Annex: Materiality Assessment Approach and Methodology, page 93
	3-2 List of material topics	Materiality: Identifying Priority Areas, page 8
Climate Change		
GRI 3: Material Topics 2021	3-3 Management of material topics	Planet: Collective Resilience > Our Climate Risks and Impact, page 45
Energy Management & Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Planet: Collective Resilience > Decarbonise Our Value Chain, page 46-54
GRI 302: Energy 2016	GRI 302-1 Energy consumed within the organization	Planet: Collective Resilience > Decarbonise Our Value Chain, page 46-48
	GRI 302-4 Reduction of energy consumption	Planet: Collective Resilience > Decarbonise Our Value Chain, page 48



GRI Content Index

GRI Standard	Disclosure Title	Location and Page Number
GRI 305: Emissions 2016	GRI 305-1 Direct (Scope 1) GHG Emissions	Planet: Collective Resilience > Decarbonise Our Value Chain > Our Carbon Footprint, page 46-48
	GRI 305-2 Energy indirect (Scope 2) GHG emissions	Planet: Collective Resilience > Decarbonise Our Value Chain > Our Carbon Footprint, page 46-48
	GRI 305-3 Other indirect (Scope 3) GHG emissions	Planet: Collective Resilience > Decarbonise Our Value Chain > Our Carbon Footprint, page 46-47, 50-53
	GRI 305-5 Reduction of GHG emissions	Planet: Collective Resilience > Decarbonise Our Value Chain, page 48-54
Waste and Hazardous Materials Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Process: Waste-Less Innovation, page 63-71 Planet: Collective Resilience > Decarbonise Our Value Chain > Our Decarbonisation Roadmap, page 52
GRI 306: Waste 2020	GRI 306-2 Management of significant waste – related impacts	Process: Waste-Less Innovation, page 64
	GRI 306-3 Waste generated	Planet: Collective Resilience > Decarbonise Our Value Chain > Our Decarbonisation Roadmap, page 52
	GRI 306-4 Waste diverted from disposal	Process: Waste-Less Innovation > Design Circular Systems, page 65, 67-68 Process: Waste-Less Innovation > Accelerate Sustainable Innovation, page 69-71 Planet: Collective Resilience > Decarbonise Our Value Chain > Our Decarbonisation Roadmap, page 51-52
	GRI 306-5 Waste directed to disposal	Planet: Collective Resilience > Decarbonise Our Value Chain > Our Decarbonisation Roadmap, page 51-52
Product Design and Life Cycle Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Planet: Collective Resilience > Source Responsible Materials, page 55-58
GRI 301: Materials 2016	GRI 301-1 Materials used by weight of volume	Planet: Collective Resilience > Source Responsible Materials, page 55
	GRI 301-2 Recycled input materials used	Planet: Collective Resilience > Source Responsible Materials, page 55 Planet: Collective Resilience > Our Targets and Aspirations, page 44

GRI Content Index

GRI Standard	Disclosure Title	Location and Page Number
Labour Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	People: Equitable Empowerment > Nurture Our People, page 18
GRI 401: Employment 2016	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People: Equitable Empowerment > Nurture Our People, page 19
GRI 405: Diversity and Equal Opportunity	GRI 405-1 Diversity of governance bodies and employees	People: Equitable Empowerment > Nurture Our People, page 18, 20
Product and Service Safety and Quality		
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance: Accountable Leadership > Responsible Business Practices > Product Safety and Quality, page 74-75
GRI 416: Customer Health and Safety 2016	GRI 416-1 Assessment of the health and safety impacts of product and service categories	Governance: Accountable Leadership > Responsible Business Practices > Product Safety and Quality, page 74-75
Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Governance: Accountable Leadership > Responsible Business Practices > Product Safety and Quality, page 72-75
GRI 205: Anti-corruption 2016	GRI 205-2 Communication and training about anti-corruption policies and procedures	Governance: Accountable Leadership > Responsible Business Practices > Business Integrity And Ethics, page 73
	GRI 205-3 Confirmed incidents of corruption and actions taken	People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 31 Governance: Accountable Leadership > Responsible Business Practices > Business Integrity And Ethics, page 73
Responsible Supply Chain		
GRI 3: Material Topics 2021	3-3 Management of material topics	People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 23-33
GRI 308: Supplier Environmental Assessment 2016	GRI 308-1 New suppliers that were screened using environmental criteria	People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 28-29
	GRI 308-2 Negative environmental impacts in the supply chain and actions taken	People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 27-29
GRI 408: Child Labor 2016	GRI 408-1 Operations and suppliers at significant risk for incidents of child labour	People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 28-30

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GRI Standard	Disclosure Title	Location and Page Number
GRI 409: Forced or Compulsory Labor 2016	GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 28-30
	GRI 414-1 New suppliers that were screened using social criteria	People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 27-30
	GRI 414-2 Negative social impacts in the supply chain and actions taken	People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 23-31
Disclosures for topics SHEIN is monitoring		
Water and Wastewater Management		
GRI 303: Water and Effluents 2018	GRI 303-1 Interactions with water as a shared resource	Planet: Collective Resilience > Protect Nature and Biodiversity, page 60-61 Process: Waste-Less Innovation > Water-Less Innovation, page 64
	GRI 303-2 Management of water discharge-related impacts	Planet: Collective Resilience > Protect Nature and Biodiversity, page 60-61
	GRI 303-5 Water consumption	Planet: Collective Resilience > Protect Nature and Biodiversity, page 60
Occupational Health and Safety		
GRI 403: Occupational Health and Safety 2018	GRI 403-1 Occupational health and safety management system	People: Equitable Empowerment > Nurture Our People, page 21-22
	GRI 403-2 Hazard identification, risk assessment, and incident investigation	People: Equitable Empowerment > Nurture Our People, page 21-22
	GRI 403-5 Worker training on occupational health and safety	People: Equitable Empowerment > Nurture Our People, page 21-22
Talent Retention and Development		
GRI 404: Training and Education 2016	GRI 404-1 Average hours of training per year per employee	People: Equitable Empowerment > Nurture Our People > Investing In The Growth Of Our Employees, page 19
	GRI 404-2 Programs of upgrading employee skills and transition assistance programs	People: Equitable Empowerment > Nurture Our People > Investing In The Growth Of Our Employees, page 19 People: Equitable Empowerment > Cultivate an Ethical Supplier Network, page 32
Selling Practices and Product Labelling		
GRI 417: Marketing and Labelling 2016	GRI 417-1 Requirements for product and service information and labelling	Governance: Accountable Leadership > Responsible Business Practices > Product Safety and Quality, page 74-75



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Basis For Preparation

*ESRS 2 BP-1 General basis for preparation of the sustainability statement*  
*ESRS 2 BP-2 Disclosures in relation to specific circumstances*

Framework and methodology

SHEIN’s sustainability statement was prepared with reference to the ESRS issued by EFRAG. SHEIN’s Sustainability and Social Impact Report focuses on material sustainability matters where SHEIN may have the largest impact on the environment, society, and economy, or where SHEIN is most exposed to significant financial risks and opportunities.

The materiality of sustainability matters and topics presented in this statement was determined through a double materiality assessment, which included an assessment of impacts, risks and opportunities covering our own operations and extending to our upstream and downstream value chain. Please refer to **page 93** in our Sustainability and Social Impact Report for details on the methodology and outcomes of our double materiality assessment.

Changes in preparation or presentation of sustainability information

SHEIN has introduced new disclosures and structured our Sustainability and Social Impact Report for FY2024 with reference to the ESRS requirements. These changes in the preparation and presentation of sustainability information include the addition of a sustainability statement, conducting a double materiality assessment to identify material impacts, risks, and opportunities across SHEIN’s own operations, upstream and downstream value chain, as well as new disclosures and metrics to describe and address identified material impacts, risks, and opportunities.

Uncertainties and accounting estimates

The reporting of certain information and data points, such as our Scope 3 emissions, involves the use of assumptions and estimates due to inherent uncertainties. Any assumptions, estimates, changes to accounting policies and restatements are disclosed in the respective sections of the Sustainability and Social Impact Report for transparency. We have established internal controls and validation processes to minimise reporting errors in ESG performance data, particularly in areas with significant uncertainty.

Disclosures stemming from other legislation or sustainability reporting standards

SHEIN’s Sustainability and Social Impact Report includes information presented with reference to the GRI 2021 Standard.

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BP-1	General basis for preparation of the sustainability statement	Annex, ESRS Content Index	106
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GOV-2	Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	ESG Governance Approach	11
GOV-5	Risk management and internal controls over sustainability reporting	ESG Governance Approach	11
SBM-1	Strategy, business model and value chain	About Us	4
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		Our Approach: evoluSHEIN	9
SBM-2	Interests and views of stakeholders	Stakeholder Engagement and Collaboration	12-13
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Materiality Assessment Approach and Methodology	94-98
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Materiality: Identifying Priority Areas	6-8
		Materiality Assessment Approach and Methodology	93
IRO-2	Disclosure requirements in ESRS covered by the undertaking’s sustainability statement	Annex, ESRS Content Index	20
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Environmental disclosures

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ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Materiality Assessment Approach and Methodology	94
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Materiality: Identifying Priority Areas	6-8
		Materiality Assessment Approach and Methodology	93
E1-1	Transition plan for climate change mitigation	Planet: Collective Resilience > Our Climate Risks and Impact Planet: Collective Resilience > Decarbonise Our Value Chain	45 46-54
E1-3	Actions and resources in relation to climate change policies	Planet: Collective Resilience > Decarbonise Our Value Chain	48-54
E1-4	Targets related to climate change mitigation and adaptation	Planet: Collective Resilience	44
		Planet: Collective Resilience > Decarbonise Our Value Chain	46-54
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ESRS E5 – Resource Use and Circular Economy			
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S1-2	Processes for engaging with own workforce and workers’ representatives about impacts	People: Equitable Empowerment > Nurture Our People People: Equitable Empowerment > Cultivate an Ethical Supplier Network	18-22 23-33
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	People: Equitable Empowerment > Nurture Our People	14, 20
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	People: Equitable Empowerment > Nurture Our People	18-22
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S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	People: Equitable Empowerment > Cultivate an Ethical Supplier Network	23-33

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