



SHEIN

SHEIN

SUPPLIER RESPONSIBILITY STANDARDS

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The official version of this Standard is the English version.
In the event of any discrepancy between other translations
and the English version, the English version shall prevail.

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Foreword

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Purpose

SHEIN is a signatory to the United Nations Global Compact (UNGC) and supports The Ten Principles focused on human rights, labor, environment, and anti-corruption. We support the UN's 17 Sustainable Development Goals (SDGs), based on which we shape our current and future development initiatives. We respect other standards set forth by the United Nations and the International Labor Organization (ILO), such as the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the ILO Core Conventions and the ILO Declaration on Fundamental Principles and Rights at Work and are committed to operating in a responsible manner.

As the world's leading fast-fashion brand, SHEIN is well aware of our global reach, and we recognize our responsibility to influence changes. Through this Standard, we set out requirements for our global supply chain, to ensure the employees in the supply chain are treated with respect and dignity, and are able to work and live in healthy, safe and comfortable places, and to ensure that Suppliers are able to act in an environmentally responsible way in the production of products or the provision of services for SHEIN, to minimize their impact on the environment.

In the event of any conflict between this Standard and applicable laws in the country/region where Suppliers operate, Suppliers shall comply with the applicable laws (including, but not limited to laws, rules, governmental orders, and regulatory requirements), and the more stringent requirement between the two shall prevail. SHEIN encourages Suppliers to not only fully comply with applicable laws, but also to respect the internationally recognized best practices, to seek higher ethical standards, greater employee welfare, and more significant reductions in resource consumption and pollution emissions.

Scope of Application

This Standard applies to all new and existing Tier 1 Suppliers, who directly or indirectly manufacture SHEIN branded products, sub-branded products (including ROMWE, MOTF, LUVLETTE, DAZY, CUCCOO, EMERY ROSE, GLOWMODE, SHEGLAM, PETSIN, SLOW SUNDAY) and other products, Tier 2 Suppliers who manufacture finished materials or components, and Service Providers, hereinafter collectively referred to as "Suppliers".

Suppliers shall also require their own subcontractors, Suppliers, and service providers to comply with applicable laws and this Standard, and make their adoption of this Standard a condition of cooperation, so as to promote overall compliance in the whole SHEIN supply chain.

Note: Sub-branded products listed here are subject to change as announced on SHEIN's website.

Transparency and Integrity

Suppliers are expected to uphold the highest level of honesty and integrity in SHEIN's supplier admission, evaluation, and business dealings, to maintain a reliable and sustainable business relationship with SHEIN.

Suppliers shall keep and maintain complete and accurate records that can be disclosed to SHEIN and its designated third-party upon evaluation or other requests to demonstrate that Supplier is in compliance with the requirements of this Standard and/or applicable laws in the areas of labor rights, health and safety, environment, and ethics. Suppliers shall not falsify or manipulate records or make fake or distorted statements to SHEIN and its designated third-party

1 Labor Rights

Suppliers shall respect the rights and benefits of employees based on applicable laws in the countries/regions where Suppliers operate, and the international standards and norms mentioned in this Standard. Employees referred to herein include permanent employees directly recruited by the Suppliers, temporary workers, student workers, foreign workers, dispatched workers, outsourced workers, and other employees recruited and hired in various ways to work in areas where Suppliers control.

1.1 Voluntary Employment

1.1.1 Prison labor

Internationally, not all countries have legislation prohibiting the use of prison labor. SHEIN requires that Suppliers, whether public or private, adhering to the highest standards, not distribute production or parts of production to prisons, not use prison labor, and have a duty to ensure and retain evidence that raw materials and components purchased by Suppliers do not originate in prisons.

1.1.2 Bonded labor

Suppliers may allow employees to take out interest-bearing or interest-free loans or payroll advances; however, this relationship should never be used as a reason to prevent employees and/or their family members from leaving their jobs or receiving at least a minimum living wage.

1.1.3 Modern slavery and human trafficking

Suppliers and their subcontractors, Suppliers, labor dispatching companies, labor outsourcing companies, recruitment agents, and labor brokers shall never traffic, recruit, transport, harbor, transfer, or receive persons through force, threats, coercion, abduction, or use pedigree-based slavery, or exploit their employees through incarceration, or by not paying/paying only minimal wages.

1.1.4 Violence, intimidation, threats, fraud

During the process of recruitment, employment and termination, Suppliers should not harm and control over employees through violence, intimidation, threats, fraud, etc., such as using violence to force laborers to undertake tasks that were not part of the initial agreement, intimidating and threatening them with the loss of their jobs or denunciation to the immigration authorities, and recruiting through deceptive promises.

1.1.5 Voluntary overtime work

All overtime shall be voluntary. Suppliers shall ensure that all employees have the right to refuse overtime. Under no circumstances shall Suppliers impose any punitive measures on employees who refuse to work overtime, such as salary deductions or other types of disciplinary action; any form of coercion, such as the threat of dismissal; or denial of future overtime opportunities.

Suppliers shall not set production quotas or piecework assignments that require employees to work beyond their regular working hours to earn the legal minimum wage or the prevailing industry wage.

1.1.6 Withholding of wages

Suppliers shall not systematically or deliberately withhold wages from workers as a means to compel them to retain and deny them of the opportunity to change employer.

1.1.7 Freedom of movement

In any supplier-controlled premises, including production sites and/or living areas such as dormitories and cafeterias, employees' freedom of movement shall not be unreasonably

restricted, such as restricting the time or frequency of drinking and toileting during production hours, or restricting the right to enter or exit dormitories out of the production hours.

1.1.8 Free to leave employment

Employees shall have the right to end or terminate their employment at any time by giving a reasonable period of notice (in accordance with the provisions of the applicable laws and the terms of contract/agreement) without penalty.

Suppliers shall not hold, destroy, conceal, confiscate or require employees to surrender government-issued identifications, passports, immigration documents or work permits to any party, including third-party agents. Supplier shall only temporarily hold onto such documents as necessary and permitted by law. Supplier shall provide individual, lockable storage facilities in the employee's dormitory (if applicable) for employees to store such documents and personal items. Such storage facilities shall not be opened by Suppliers without authorization while in use by employees. Suppliers may obtain and retain copies of workers' identification documents.

Suppliers are not allowed to collect deposits of any kind from employees.

1.1.9 Employment agreement

Suppliers shall provide all employees with a written employment agreement in the worker's native language that contains a description of terms and conditions of employment, whether or not required by local laws and regulations.

1.1.10 Special protection for foreign workers

Suppliers are not allowed to employ any workers, including illegal immigrants, who do not have the legal right to work, unless the employees are related to an approved program with refugee populations.

Foreign workers shall receive an employment agreement before departing from the country of origin and no substitutions or changes are allowed in the employment agreement upon arrival in the receiving country, unless these changes are made to meet local laws and regulations and provide equal or better conditions.

Suppliers and the recruitment agencies, labor brokers or other third parties providing human resources related services they use, shall not charge employees, directly or indirectly, recruitment fees or related costs. Recruitment fees and related costs are any fees or costs incurred in the recruitment process to secure the employment or placement of an employee, regardless of the form, time or place of collection or payment (in his/her country of origin, in any intermediate country, or in the country in which he/she is working).

1.2 Child Labor and Young Workers

1.2.1 Prohibition of child labor

Suppliers shall not use child labor in any stage of manufacturing. A "child" is any person under the age of 15 (or 14 in the case of the exceptions set out in ILO Convention No. 138), or under the age of completion of compulsory education, or under the minimum age for employment in the country/region, whichever is the highest. For example, in China, minors under the age of 16 shall not be recruited.

Suppliers should establish written policies prohibiting the use of child labor and implement an appropriate mechanism to verify the age of employees.

If child labor is found, he/she shall be stopped and removed from the workplace immediately. Necessary support and actions shall be taken to ensure the safety, health, education and development of the child whose work has been terminated. In the absence of local law, the factory shall at least fund a medical examination for the child; pay him/her no less than the local minimum wage for his/her work; and deliver him/her safely to his/her parents or other guardians, with the cost of transportation, food and lodging borne entirely by the supplier.

1.2.2 Protection of young workers

Young worker is any worker who is over the age of a child as defined above but under the age of 18.

Young workers may not perform work that is likely to jeopardize their health or safety, including night work (Any work carried out at night, in whole or in part, between 10:00 p.m. and 5:00 a.m. or the hours regulated as night work by applicable laws, whichever period is longer) and overtime. Suppliers employing young workers shall comply with all applicable laws relating to young workers, including, but not limited to, required registration at local authority, medical examinations in accordance with applicable laws, appropriate job placement, and proper work shifts and work hours.

1.2.3 Student workers, interns and apprentices

Suppliers shall conduct rigorous due diligence on educational partners that provide student workers and interns, maintain reasonable records of student workers and interns, and protect their rights in accordance with local laws and regulations. In the absence of local law, student workers and interns should be paid at least the same wage rate as other entry-level workers performing equal or similar tasks.

Apprenticeship programs should have a limited time duration or be considered as an entry point to full-time employment upon completion of the program. Suppliers should provide students with information about how and when the apprenticeship ends, and any job opportunities, so that apprentices can make an informed decision on whether to participate in full-time employment.

1.3 Anti-Discrimination

1.3.1 Discrimination in the workplace

Suppliers shall not discriminate on the basis of nationality, race, ethnicity, color, age, sex, sexual orientation, gender identity, marital status, maternity status, health status, physical, sensory, or mental disability, religion, political affiliation, union membership, military service status, or any other legally protected statuses, in hiring and working practices such as recruitment, wages, promotions, awards, training opportunities, job assignments, and termination.

Suppliers shall not make any decisions that negatively affect the employment status on the basis of the employee's state of health, unless such decision is dictated by the inherent requirements of the job or is prudent for workplace safety.

1.3.2 Special protection of women's rights and interests

Suppliers shall not use an employee's marriage, pregnancy, presence or number of children as a criterion for hiring or continued employment, or as a basis for downward wage adjustments.

Suppliers shall not prohibit female workers from becoming pregnant nor threaten female workers with adverse employment consequences, including dismissal, loss of their current positions, or deduction of wages and benefits.

Suppliers shall not require pregnancy, virginity or HIV tests, and shall not coerce or pressure female workers to use or not use contraception or discriminate against them for their reproductive choices.

1.3.3 Special protection of religious interests

Suppliers should provide reasonable accommodations and times (e.g., religious holidays and work breaks) to facilitate the religious activities of employees.

1.3.4 Diversity and inclusion

SHEIN encourages Suppliers to promote diversity and equity by increasing the representation of different populations in different ways, creating an inclusive atmosphere that welcomes greater differentiation.

1.4 Anti-Harassment and Abuse

1.4.1 Physical harassment and abuse

Suppliers shall not engage in or tolerate any forms of threat of violence, physical coercion, physical abuse, or the use of violent means as a disciplinary measure, such as the infliction of corporal punishment, within or outside of areas where Suppliers provide.

1.4.2 Verbal or psychological harassment and abuse

Suppliers shall not engage in or tolerate verbal coercion, psychological abuse, bullying, public humiliation or verbal insults, verbal harassment, or any other forms of mental torture, or cruel, inhuman or degrading treatment.

1.4.3 Sex-related harassment and abuse

Suppliers shall not engage in or tolerate gender-based violence, sexual harassment, or sexual abuse.

All security practices shall be conducted by security personnel of the same gender (or of the gender recognized by the person being searched) and shall be nonintrusive.

1.5 Working Hours

1.5.1 Weekly working hours

Employees may not work more than 60 hours per week (including overtime), except in emergency or unusual situations.

1.5.2 Day of rest

Employees shall have at least one day off every seven days, except in emergency or unusual situations.

1.5.3 Break

Suppliers shall provide employees with statutory rest periods in accordance with applicable laws, or reasonable rest periods in the absence of local law, including, but not limited to, rest periods during pre-defined work periods, maximum consecutive working hours, minimum rest periods between shifts, etc.

1.5.4 Working hours records

Suppliers shall establish a time recording system to record the working hours and rest days of each worker. Suppliers shall ensure that the time recording system provides a complete and accurate record of the actual hours worked by workers and is maintained in accordance with applicable laws. In the absence of local law, the record of working hours shall be kept for at least 12 months.

1.6 Wages and Benefits

1.6.1 Minimum wage and living wage

Suppliers should pay their employees at least the legal minimum wage. In the absence of local law, Suppliers are encouraged to pay wages that meet or exceed industry averages.

Suppliers should regularly assess whether employees' incomes meet the basic needs of employees and their families and provide a certain amount of disposable income. Suppliers should pay their employees a wage that meets the living wage, i.e., the remuneration paid to employees for standard working hours is sufficient to afford a decent standard of living for themselves and their families.

1.6.2 Overtime compensation

Suppliers shall compensate employees for overtime hours at the legal premium rate. In the absence of local law, employees should be compensated for overtime at a pay rate that is no less than 125% of the base hourly rate.

1.6.3 Reasonable deductions

Suppliers are not allowed to deduct workers' wages unless there is an applicable law that allows for withholding, e.g. taxes, social insurance, etc.

Deductions from wages as a disciplinary measure are not permitted.

1.6.4 Schedule and method of payment

Suppliers shall pay their employees within the deadline defined by applicable law. In the absence of local law, Suppliers should pay employees at least 30 days of the end of the working period.

Supplier shall be required to make monetary payments under all circumstances. This includes but is not limited to cash, bank transfer, e-payment, or cash check.

1.6.5 Other benefits and paid leaves

Suppliers shall provide employees with statutory benefits such as allowances, bonuses, insurances, statutory holidays, annual leave, maternity leave, parental leave and other leaves in accordance with applicable laws.

1.6.6 Payroll and pay slip

Suppliers should keep payroll records in accordance with applicable laws. In the absence of local law, payroll records should be kept for at least 12 months.

Suppliers shall provide employees with a timely and understandable pay slip for each pay period that contains sufficient information to verify accurate compensation for work performed.

1.7 Freedom of Association and Right to Collective Bargaining

1.7.1 Freedom of association

Employees shall have the right to form, join or not to join a labor union, and shall be free from any form of harassment, interference, or reprisal for doing so.

Where local law prohibits or restricts such freedoms, Suppliers should support alternative means for effective communication, such as worker committee, and promoting open communication and dialog between management and employees.

Workers' representatives should not be discriminated against and should be able to exercise their representative functions in the workplace.

1.7.2 Right to collective bargaining

Suppliers shall respect the right of employees to engage in collective bargaining and peaceful assembly, or to refuse to participate in such activities, as permitted by local law.

If a collective bargaining agreement exists, Suppliers shall comply with the terms of the agreement.

2 Health and Safety

Suppliers shall comply with applicable laws regarding occupational safety, working conditions and health standards, provide a safe and healthy working environment for their employees, and avoid harm to the physical and mental health of their employees.

Suppliers should recognize that the provision of a healthy and safe working environment is intended to reduce work-related and workplace-generated physical discomfort, illness and injury, to provide employees with a decent working environment, to provide greater protection for the lives and physical/mental health of individual employees.

2.1 Workplace Safety

2.1.1 Building safety

Suppliers shall ensure that buildings under its management and control, including, but not limited to production plants, warehouses, dormitories, canteens, and buildings of ancillary facilities, meet the requirements of all applicable laws, professionally designed, constructed in a compliant manner, constructed of reliable materials, structurally sound and safe, and are utilized within the design loads.

2.1.2 Fire safety

Suppliers shall properly install and properly maintain all types of facilities used to detect, notify, monitor and extinguish fires in accordance with applicable laws.

Suppliers shall maintain and test all fire protection facilities on a regular basis in accordance with applicable laws, on its own and/or using qualified third party organizations, and shall maintain records of such tests, maintenance, and repairs.

2.1.3 Chemical safety

Suppliers shall correctly label chemicals produced, stored and used in the workplace in accordance with the requirements of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) and local laws and regulations, and equip them with the appropriate Safety Data Sheets (SDS). Suppliers shall establish a corresponding inventory of hazardous chemicals.

The storage, production, use, transportation and disposal of hazardous materials shall be in accordance with applicable laws.

2.1.4 Machinery safety

The design of the machine shall take into account the risk of injury to employees, and Suppliers shall provide adequate mechanical guards and controls, such as physical guards, interlocks, and emergency stops. These guards should be regularly maintained and tested to ensure that they function properly.

Suppliers shall train all relevant personnel to ensure that machines are locked and tagged to safely disconnect all power sources prior to machine maintenance to prevent machines and equipment from being turned on due to an accidental and sudden connection of energy.

2.1.5 Electrical safety

Suppliers should ensure that equipment and machines have adequate overload protection to protect workers from electric shocks and electrical fires.

Suppliers shall maintain electrical safety equipment in good working condition.

2.1.6 Operation safety

Hot work

Suppliers shall develop and implement adequate procedures for hot work operations, including work permitting process and fire watches.

Confined space operations

Suppliers shall post a warning sign where confined space is identified and recognized. Suppliers shall develop and fully implement confined space entry procedures. When work involves performing maintenance or cleaning activities in confined spaces, work shall be carried out in strict accordance with operation procedures, special precautions shall be taken, and special requirements for standby workers shall be met.

Work at heights

Appropriate fall protection shall be worn and a work permitting process shall be implemented when working from heights in excess of 2 meters (6 feet) above base level.

2.1.7 Contractor safety management

Suppliers shall provide adequate communication and training prior to the commencement of work by contractors to ensure compliance with all applicable health and safety laws and regulations, including the implementation of the use of personal protective equipment.

The above operation safety requirements also apply to contractors performing on-site work at Suppliers' plants.

2.2 Industrial Hygiene and Occupational Health

2.2.1 Chemical hazards

Chemical hazards include chemical substances and dust present or generated in the workplace.

When developing control measures, Suppliers should give due consideration to all possible routes of exposure, including inhalation, dermal contact and oral ingestion. Control measures should be tailored to effectively prevent health hazards that may be caused by the hazardous elements and to avoid leakage or minimize dispersion of the hazardous elements.

2.2.2 Physical hazards

Physical hazards generally refer to factors that do not necessarily require direct contact to cause harm to the body, such as various types of radiation, high/low temperatures, noise, vibration, and physically demanding work.

Suppliers should prioritize elimination at the source when developing control measures, isolating or reducing the exposure, adjusting the way employees work or their posture to reduce possible injuries.

2.2.3 Biological hazard

Biohazardous factors are generally understood to be microorganisms, including biological agents such as bacteria, viruses, fungi, and other microorganisms and their associated toxins that may cause infection, allergies or poisoning.

Suppliers shall develop processes for the acquisition, handling and processing of animal source materials such as furs, hides, wool, feathers, etc., provide employees with clean rinsing and washing facilities, including eyewashes and skin antimicrobials, etc., and provide workers with appropriate personal protective equipment or other special clothing.

During first aid and the disposal of medical waste, which can lead to the transmission of diseases through blood and body fluids, Suppliers should develop and implement sound preventive procedures and provide trained first aiders with appropriate protective items.

2.2.4 Hazard communication

Suppliers shall provide training to employees in their native language or in a language that they can understand, so that they are correctly aware of the hazards in the workplace to which they are exposed. At the same time, this information shall be clearly communicated to workers in writing, if required by applicable laws.

Suppliers shall clearly post information about the hazards on the premises where there are occupational hazards.

2.2.5 Workplace assessment and medical surveillance

For sites with occupational hazards, Suppliers should hire qualified personnel or external organizations to conduct regular testing and assessment of occupational hazards in accordance with local laws and regulations.

Suppliers should provide medical surveillance to employees who are routinely exposed to occupational hazards at stages of pre-job, on-the-job, post-job and post-emergency, as required by local laws and regulations.

2.2.6 Overall working condition

Suppliers shall ensure that employees have access to at least adequate space, ventilation and lighting in the workplace, in accordance with applicable laws or, in the absence of local law, at least adequate space, ventilation and lighting. The workplace shall be maintained at a temperature and humidity suitable for human beings as far as possible.

The workplace should be kept clean, tidy, and organized.

2.3 Personal Protective Equipment

2.3.1 Provision of personal protective equipment (PPE)

PPE should not be prioritized as an effective risk control measure. However, where there is a residual risk to be controlled, Suppliers shall provide appropriate and sufficient PPE to the employees and shall not charge the employee for it.

2.3.2 Use and monitoring of PPE

Suppliers should provide employees with training regarding the correct use of PPE, post appropriate PPE signals, and monitor employees for proper use.

2.3.3 Maintenance of PPE

Personal protective equipment should be properly stored, maintained and easily accessible.

2.4 Ergonomics

2.4.1 Physiological ergonomics

In case any new or rebuilt production lines, equipment, tools and workbenches, Suppliers should consider the dimensions of various parts of the body, the normal physiological values of vision and hearing, the posture of people at work, the range, rhythm and speed of movement, the degree of fatigue, as well as the energy consumption and replenishment of the employees, etc., so as to adjust the machine's monitors, controllers, and other various equipment associated with the human body (tables, chairs, workbenches, etc.) and design of appropriate continuous working hours, in order to achieve the purpose of maintaining work efficiency and reducing ergonomic hazards.

2.4.2 Psychological ergonomics

Suppliers should take into account the employee's age, gender, individual intelligence, cultural and technical level, work interest and work motivation, character traits, work emotions and other factors to regulate the employee's psychological cognition, emotions and needs.

2.4.3 Workplace ergonomics

The temperature, humidity, lighting, sound, etc. of the work environment will affect the efficiency of people. Suppliers should improve the environment to enhance the comfort and rhythm of employees, to achieve the purpose of improving work efficiency.

2.5 Emergency Preparedness and Response

2.5.1 Emergency Response Team

Suppliers should organize and train enough employees to form an Emergency Response Team (ERT) that covers all work shifts. The ERT should be easily recognized and identified in the event of an emergency.

2.5.2 Emergency Response Plan

Suppliers should identify and assess the likelihood of various types of emergencies based on their production processes, the nature and stock of the chemicals, operation of auxiliary facilities, local geographic, geological and meteorological conditions, and guidelines from health authorities. Emergencies may include fires, explosions, chemical spills, natural disasters, spread of infectious diseases, etc.

Suppliers shall develop an emergency response plan in writing based on these potential emergencies.

2.5.3 Emergency response facilities

Suppliers shall ensure that emergency exits are adequate in number and are free of obstructions or locks, evacuation routes and stairways are maintained of sufficient width and unobstructed, emergency lightings, detectors, alarm systems and fire suppression systems are adequately installed and functioning, evacuation plans are clearly labelled in a language that employees can understand, and that emergency assembly points are appropriately planned and labelled on the evacuation plan.

Suppliers should install eyewashes and safety shower in areas where corrosive and toxic chemicals are produced, used or stored.

Suppliers shall provide adequate and appropriate first aid facilities and equipment (including first aid kits) in production and living areas, properly maintained and easily accessible.

2.5.4 Emergency response training

Suppliers should train a sufficient number of employees in first aid and ensure that those trained responders cover all work shifts.

Suppliers shall provide emergency response plan training to all employees.

Suppliers shall provide their vendors, contractors and other temporary visitors with information on evacuation routes, emergency assembly points, emergency contacts and emergency procedures.

2.5.5 Emergency drill

Emergency drills shall be conducted at least annually or as required by local laws and regulations, whichever is more stringent.

Emergency and evacuation drills should cover all employees.

If Suppliers share the same building with other factories, they are encouraged to invite the other factories to conduct joint drill on evacuation.

2.5.6 Recovery plan

Suppliers should assess the likely impact of the above emergencies on operations and business and develop a plan for recovering production based on prioritization.

2.6 Special Protection for Women in the Workplace

2.6.1 Job position

Suppliers shall identify positions deemed hazardous for pregnant and nursing employees. Suppliers shall take reasonable measures to ensure the health and safety of pregnant and nursing employees and their fetuses/infants, including elimination of workplace health and safety risks to such employees and accommodating such employees in positions that do not pose a hazard to them or their fetuses/infants.

2.6.2 Working hours, rest and leave

Suppliers shall adjust working hours, arrange appropriate rest and leave for pregnant or nursing employees in accordance with the local laws and regulations. Suppliers shall also provide female employees with maternity leave in accordance with applicable laws.

2.6.3 Childcare center and nursing room

Suppliers should offer a childcare center and/or lactation room with adequate clean supplies as required by local laws and regulations.

2.7 General Hygiene, Food and Accommodation

2.7.1 Sanitation

Suppliers should provide a sufficient number of toilet facilities in production and living areas, with adequate privacy segregation, clean and sanitary.

Suppliers shall provide access to potable water free of charge in the production and living areas, which shall be tested at least annually or in accordance with applicable laws.

2.7.2 Kitchen and cafeteria

If Suppliers provide a cafeteria or other dining facility, it shall ensure that the food preparation, storage, and dining facilities meet the requirements of applicable laws, or in the absence of local law, at least at a basic sanitary level.

2.7.3 Dormitory facilities

If Suppliers provide accommodation for employees, Suppliers shall ensure that the dormitory building is physically separated from the production area and warehouse for leaving sufficient fire separation.

Dormitories should be kept clean and safe, have reasonably adequate personal space, designed to respect the privacy of employees, and equipped with secure storage for storing valuable personal effects and documents.

Dormitories shall be equipped with adequate fire detection, alarm, and suppression facilities, a sufficient number of emergency exits and first aid kits. Suppliers shall provide adequate hot water for bathing, lights, and electricity in dormitories.

3 Environment

Suppliers should understand and recognize that environmental protection is an important part of the sustainable development of enterprises and society. Suppliers shall closely consider environmental protection in every step of their production and operation, from design and development, selection of raw materials, to production, storage and disposal, or recovery and recycling of materials. Suppliers shall comply with applicable environmental laws and regulations to minimize adverse impacts on the environment.

3.1 Permits and Reporting

3.1.1 Environmental permits and approvals

Suppliers shall obtain and maintain valid environmental approvals, permits and registrations in accordance with the applicable local laws and regulations

3.1.2 Regular monitoring and reporting

Suppliers shall follow the requirements of local laws and regulations to implement regular environmental monitoring and testing, maintain appropriate reports and records to demonstrate the compliance of discharge.

3.2 Pollution Control and Prevention

3.2.1 Air emissions

Suppliers shall identify, control, and treat volatile organic chemicals (VOCs), acid/alkali mists, particulates, ozone depleting substances, and combustion by-products prior to discharge, in accordance with applicable laws and regulations.

3.2.2 Wastewater discharge

Suppliers shall identify, control, and treat wastewater prior to discharge in accordance with applicable laws. Suppliers shall routinely monitor the operational status of the wastewater treatment plant and the operation and control systems to ensure a better performance and full compliance.

Suppliers shall prevent illegal discharges and spills from entering public bodies of water, public water supply or storm drains system. Supplier shall maintain a separated sewer system to prevent waste water from mixing with stormwater runoff.

Suppliers located in water scarce region should establish an effective water sourcing and management system and collect relevant data (e.g., amount of water intake, water consumed, wastewater generated, water recycled) to minimize adverse impacts on local communities.

3.2.3 General solid waste management

Suppliers shall identify, control, and responsibly dispose of or recycle general solid waste generated from operations in accordance with applicable laws. Suppliers are encouraged to minimize waste to landfills throughout their operations.

3.2.4 Hazardous waste management

Suppliers shall identify, label and manage chemicals, wastes and other materials that pose a risk to humans or the environment and ensure their safe movement, storage, handling, use, recycling or reuse and disposal.

3.2.5 Boundary noise

Suppliers shall identify, control, monitor and reduce noise generated by the facility that affects boundary noise level.

3.3 Restricted Substances

3.3.1 Product Restricted Substances

Supplier shall ensure that materials and products for SHEIN are comply with the laws and regulations regarding prohibited and restricted substances in the countries of sales and export. Where applicable, Suppliers should obtain valid certificates or documents as proof.

3.3.2 Manufacturing restricted substances

Chemicals manufactured, used and stored by Suppliers in manufacturing process should comply with the chemical registration and restriction laws of the country/region where Suppliers operate.

3.4 Energy, Resources and Greenhouse Gas Management

3.4.1 Energy performance improvement

Suppliers should implement effective energy management systems and explore ways to develop methods to improve energy efficiency.

3.4.2 Use of renewable energy

Suppliers are encouraged to use renewable energy and increase the share of renewables in their energy portfolio.

3.4.3 Reduction on natural resources consumption

Suppliers shall take measures to utilize natural resources in a responsible manner and continuously explore methods to reduce the consumption of resources. Natural resources may include, but are not limited to, water, fossil fuels, fossil fuel-based virgin plastics, minerals, and virgin forest timber.

3.4.4 Recycling, reclaim and reuse

Suppliers should follow circular economy principles (reduce, reuse, recycle and recover) wherever feasible.

3.4.5 Greenhouse gas (GHG) emissions and disclosure

Suppliers shall identify their scope 1 and scope 2 emissions sources, and track, document, and upon request, report GHG emissions and related activity data.

Suppliers are encouraged to regularly quantify the GHG emissions, establish GHG reduction goals and reduce their emissions through process modification, energy conservation, use of renewable energy, or other measures.

Notes:

- *Scope 1 GHG emissions: Direct emissions occur from sources that are owned or controlled by the organization, including stationary combustion, mobile combustion, chemical or production processes, or unorganized fugitive emissions, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.; emissions from chemical production in owned or controlled process equipment;*
- *Scope 2 GHG emissions: Indirect emissions from purchased electricity for the organization's own use, also including steam, heating, cooling, etc;*
- *Scope 3 GHG emissions: Indirect emissions of an organization outside of Scope 2, including all emissions that may be generated up and down the organization's supply/value chain, such as extraction, production and transportation of raw materials, use of products and services by consumers, and so on. It is not required in this Standard for the time being.*

Details refer to The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard [ghg-protocol-revised.pdf](https://ghgprotocol.org/ghg-protocol-revised.pdf) (ghgprotocol.org)

3.5 Land and Natural Resource Rights

3.5.1 Legal utilization of resources

Suppliers shall demonstrate that they have legal rights to use land and/or natural resources. Suppliers shall not engage in or support activities that involve land grabbing or illegal use of land or natural resources.

3.5.2 Respect the legitimate rights of indigenous and local communities

Suppliers shall respect the legitimate land rights of individuals, indigenous peoples and local communities, inclusive of their established public, private, communal, collective, indigenous, pre-existing (if any) juridical systems and customary rights over natural resources (e.g., forests, fisheries, and water). Suppliers shall obtain the free, prior and informed consent of affected local communities for the use of land and natural resources, including acquisition, development, utilization or lease.

3.6 Biodiversity and Endangered Species Conservation

3.6.1 Reducing the impact

Suppliers should avoid and minimize impacts on biodiversity.

Mining Suppliers should not conduct exploration or extraction in World Heritage sites. Suppliers should identify key biodiversity areas affected by their operations (following the IUCN global standard for identifying key biodiversity areas) and put in place mitigation measures to minimize impacts on biodiversity.

Suppliers shall ensure that raw materials do not contain species listed in the Convention on International Trade in Endangered Species (CITES) or species classified as critically endangered, endangered or vulnerable on the International Union for Conservation of Nature (IUCN) Red Lists of Threatened Species, or endangered species as defined by local laws and regulations.

3.6.2 Proactive protection

Suppliers shall pursue biodiversity conservation opportunities linked to their activities. Suppliers shall make their best efforts to generate positive impact on biodiversity and the livelihoods of local people.

4 Ethics

SHEIN wishes to make every effort to meet the highest standards of ethical conduct. Suppliers are to uphold the highest standards of ethics at all times in sales, production and purchasing, before, during and after any evaluation by SHEIN or its designated third-party, and in the whole operation.

4.1 Integrity and Business Conduct

4.1.1 Anti-bribery and anti-corruption

Suppliers shall strictly comply with all legal and regulatory requirements relating to anti-bribery and corruption in the countries in which they operate.

Suppliers shall not offer, promise, authorize, give, or accept anything of value to obtain or provide undue or improper advantages to anyone for any reason.

4.1.2 Conflict of interest

Suppliers shall strictly prohibit any conflict of interest with SHEIN employees or third-party employees designated by SHEIN through private individuals or companies, including, but not limited to offering individuals or family members the opportunity to take up shares or jobs, providing business to individuals or family members or making purchases.

4.1.3 Integrity and honesty

Suppliers are expected to act with integrity, to contribute to credible, stable, and sustainable business relationships.

4.2 Fair Competition

4.2.1 Anti-trust

Suppliers shall strictly comply with local unfair competition laws (antitrust laws) and promote free and fair competition worldwide.

Suppliers shall ensure that they do not participate in, or engage in discussions or activities with competitors that would lead to antitrust charges or the appearance of improper anticompetitive behavior.

4.2.2 Anti-price competition

Suppliers should not win business through unfair pricing.

4.2.3 No false advertising

Suppliers shall not make false or misleading commercial advertisements about the performance, quality, sales status and user evaluation of their products.

4.2.4 No undue profit from insider information

Suppliers should not use inside information to manipulate the market for profit or to mitigate losses.

4.3 Anti-Money Laundering

4.3.1 Anti-money laundering

Suppliers shall not engage in any form of money laundering and shall not knowingly accept funds obtained through illegal means.

4.3.2 Countering the financing of terrorism

Suppliers shall not intend or substantially use the funds to finance terrorist acts.

4.4 Intellectual Property Protection

4.4.1 Technology transfer

The transfer of technology or experiential knowledge should be carried out in a manner that protects intellectual property rights.

4.4.2 Intellectual property rights of customers and Suppliers

Suppliers shall protect the intellectual property and information security of customers and Suppliers.

4.5 Privacy and Personal Data Protection

4.5.1 Informing and consenting

Suppliers shall inform individuals in a conspicuous way and in clear and understandable language in a truthful, accurate and complete manner before handling personal information.

Suppliers shall collect and process personal information only with the consent of the individual or as necessary for the implementation of human resources management in accordance with applicable laws and collective contracts concluded in accordance with applicable laws.

4.5.2 Processing of personal data

Personal data shall be collected, stored and processed in strict compliance with the requirements of the applicable data protection and privacy laws.

4.6 Information Security

4.6.1 Physical security

Suppliers shall protect computer equipment, facilities (network and communication lines), etc. from earthquakes, floods, or damage in the event of hazardous gases and other environmental accidents.

4.6.2 Network security

Suppliers shall take measures to ensure that the data transmitted and stored in the network are protected from accidental or malicious destruction, alteration and leakage, that the network system can operate normally and that the network service is not interrupted.

4.6.3 System security

Suppliers shall ensure the security of the software system, including the operating system, and the database.

4.6.4 Application security

Suppliers should ensure that applications are secure during use and in their result, including Web security technologies, email security, etc.

4.7 Ethical Artificial Intelligence

4.7.1 Individual level

Suppliers should apply AI technology in a way that does not impact the safety, privacy, autonomy and human dignity of individuals.

4.7.2 Society level

Suppliers should apply AI technology in a way that uphold the principles of fairness and justice, emphasize responsibility and accountability, maintain considerable transparency, implement sufficient monitoring to enhance controllability, and respect democratic and civil rights.

4.8 Animal Welfare

4.8.1 Breeding, raising and transportation

In the breeding and raising of animals, Suppliers shall provide clean and safe conditions for the animals, including suitable food, water and care, appropriate light, temperature, humidity, air ventilation and other necessary environmental conditions.

Animals should be transported in a manner that does not result in injury or unnecessary suffering. Transportation time should be minimized.

4.8.2 Animal testing

Suppliers are encouraged to try to apply alternative non-animal methods to reduce animal testing related to cosmetic ingredient development or safety assessment.

4.8.3 Handling and slaughtering

Suppliers should handle all animals in a calm and gentle manner to minimize agitation or other forms of stress.

Suppliers shall minimize pain, suffering or excitement of the animal during the slaughter process.

4.9 Community Participation and Community Development

4.9.1 Economic support

Suppliers should contribute to the revenue of local community by meeting their tax obligations.

Suppliers should invest in entrepreneurial programs to develop local Suppliers, hire community members, and promote community economic development.

4.9.2 Technical support

Suppliers are encouraged to provide employment skills development programs, including trainings and apprenticeships, for community members, with a focus on specific vulnerable groups.

4.9.3 Cultural participation

Suppliers are encouraged to promote cultural activities, where appropriate, recognizing and respecting local cultures and cultural traditions.

5 Management system

Suppliers shall adopt a management system to drive continuous improvement of this Standard and ensure compliance with applicable laws.

5.1 Commitments and Policies

5.1.1 Management accountability and responsibility

Suppliers shall clearly designate a senior management representative responsible for ensuring the implementation of the management system and associated programs.

5.1.2 Management commitment and corporate policy

Suppliers should make a commitment to compliance and continuous improvement through a social and environmental responsibility policy statement. This commitment shall be approved by senior management and published in the facility in the local language.

5.2 Compliance

5.2.1 Laws and regulations

Suppliers shall collect and maintain applicable laws where they operate to understand the applicability of laws and regulations.

5.2.2 Customer requirements

Suppliers shall collect and understand customer requirements (including the requirements of this Standard) in order to refer to and apply them to the establishment of their own procedures.

5.2.3 Compliance review

Suppliers should conduct periodic reviews against applicable laws and customer requirements to ensure compliance.

5.3 Risk Assessment and Potential Hazard Identification

5.3.1 Risk identification

Suppliers should identify risks for all aspects of labor, health and safety, environment, ethics and supply chain management associated with Suppliers' operations.

5.3.2 Risk assessment

Suppliers should apply scientific methodology to evaluate the identified risks of labor, health and safety, environment, ethics, and supply chain management, and prioritize the risks that need to be controlled.

5.3.3 Risk management

Suppliers should use the concept of hierarchy of controls to eliminate or mitigate the risks that need to be controlled, prioritized hazard elimination, substitution of processes or materials, engineering controls, administrative controls, and personal protective equipment.

5.3.4 Potential hazard identification and management

Suppliers should regularly investigate their own potential accident hazards. The identified potential accident hazards should be effectively monitored and controlled.

5.3.5 Business continuity plan

Based on the results of the above risk assessment, Suppliers shall develop a business continuity strategy and plan, including, but not limited to, estimating the maximum permissible downtime of critical operations and processes and the acceptable level of loss associated with such downtime, prioritizing and targeting resumption steps, and determining the resources required for recovery.

5.4 Training and Communication

5.4.1 Employee competency and awareness training

Suppliers shall arrange training for management and workers to support the implementation of relevant policies, procedures and improvement objectives, and to meet the requirements of applicable laws.

Suppliers should be aware of potential illiteracy and socio-cultural barriers, and use effective ways to get the message across in communication and training.

5.4.2 Communication with relevant parties

Suppliers shall clearly and accurately communicate policies and procedures related to this Standard to workers, Suppliers and customers.

5.5 Periodic Assessment and Continuous Improvement

5.5.1 Process evaluation

Suppliers should periodically evaluate the implementation of the management system in order to identify and correct problems at an early stage.

5.5.2 Internal audit

Suppliers shall evaluate the compliance level against the requirements of laws and regulations related to social and environmental responsibility, the requirements of this Standard and customer requirements through internal audits.

5.5.3 Management review

Senior management should review the status of the management system on a regular basis.

5.5.4 Continuous improvement

Suppliers shall take corrective actions and preventive actions for deficiencies identified in internal or external assessments, inspections, investigations and reviews, and verify the effectiveness of the measures to achieve continuous improvement.

5.6 Documentation and Records

5.6.1 Creation of documents and records

Suppliers shall create appropriate documentation and records as required by applicable laws in the implementation of this Standard.

5.6.2 Retention of documents and records

Corresponding documents and records shall be kept in accordance with applicable laws.

5.6.3 Disclosure of documents and records

Suppliers shall disclose these documents and records to interested parties without falsification or misrepresentation, as required by applicable laws and this Standard.

5.7 Change Management

5.7.1 Initiation of changes

Suppliers shall conduct risk assessments for newly introduced or changed equipment, processes, materials, chemicals, components, or personnel who is changed.

5.7.2 Assessment and endorsement of changes

Risk assessment of changes should be carried out by appropriately competent personnel, with written confirmation of controls.

5.7.3 Implementation and verification of changes

Changes should be implemented in accordance with the identified controls and the effectiveness should be verified after implementation.

5.8 Grievances, Suggestions and Reports

5.8.1 Encouragement of feedback, including grievances, suggestions and reports

Suppliers shall implement appropriate, effective and easy-to-use feedback channels, and ensure that at least one of these channels allows for anonymous complaints and appeals. Those channels should be available to employees in a language they understand. This includes the visible posting of information on the SHEIN grievance channels of hotline **86-153-474-19836**, official WeChat account **SHEIN-CSR** and email address **CSR@shein.com**, that workers can access to anonymously submit complaints, feedback and suggestions directly to the SHEIN ESG team.

Suppliers should proactively collect feedback from employees through a variety of channels, including, but not limited to, periodic (at least annually) surveys, interviews, or similar mechanisms that capture employees' satisfaction. Suppliers should ensure that such channels are open to all employees who wish to participate in.

Suppliers should have systems in place for workers to report health and safety incidents and hazards, as well as to report misconduct (e.g., environmental or human rights violations, unethical business practices, etc.) by Suppliers or Suppliers' employees/managers.

5.8.2 Follow-up of grievances, suggestions and reports

For employee feedback and suggestions, Suppliers should actively assess applicability and follow up.

For health and safety incidents and hazards, Suppliers should investigate, track and manage such reports and implement improvement action plans to reduce the risk or remove the hazards.

For any whistleblowing on misconduct by suppliers or suppliers' employees/managers, Suppliers shall strictly follow the appropriate procedures to implement the investigation and follow-up.

5.8.3 Response to grievances, suggestions and reports

Suppliers should respond to feedback, suggestions and reports either publicly or privately, depending on the specific circumstances.

5.8.4 Confidentiality of identity and anti-retaliation

Suppliers should establish an anonymous complaint mechanism for managers and employees to report grievances in the workplace. Suppliers shall maintain the confidentiality of the whistleblower and the information reported, and prohibit retaliation.

5.9 Supply Chain Management

5.9.1 Responsible Mineral Sourcing

Suppliers are expected to determine the origin of high-risk minerals used in SHEIN's products in accordance with a recognized due diligence framework.

5.9.2 Traceability

Suppliers should ensure maximum transparency and traceability in the origin of raw materials. Traceability also applies to the verification of the use of recyclable materials.

5.9.3 Disclosure of documents and records

Suppliers shall retain documents and records developed in the management of its supply chain and make them available to SHEIN and other interested parties upon request.

5.9.4 Communicate SHEIN Supplier Responsibility Standards to subcontractors and Suppliers

Suppliers shall communicate the requirements of this Standard to subcontractors, Suppliers, and service providers.

When necessary, Suppliers should perform due diligence on subcontractors, suppliers, and service providers, etc., and make requests for improvements or decide whether to continue cooperation based on the results of the survey.

5.9.5 No sub-contracting or partial sub-contracting

Suppliers shall warrant that all the products, materials, or services are produced and/or provided by themselves and by no other. Without prior written consent of the client, Suppliers shall not sub-contract, partially sub-contract or assign in any way the obligations outlined in the contract or commitment document (if any) executed with SHEIN regarding the provision of products, services, rights and obligations to a third party ("subcontractor"). Any purported assignment shall be deemed invalid. If SHEIN consents to the said assignment, Suppliers shall make available to SHEIN the name, address, and information requested by SHEIN pertaining to the said subcontractor promptly (not later than 5 working days after SHEIN's consent). The said assignment shall only be allowed under the preconditions listed in Supplier Code of Conducts.

References

- The Ten Principles _ United Nations Global Compact
- Universal Declaration of Human Rights
- UN Guiding Principles on Business and Human Rights
- ILO 1998 Declaration on Fundamental Principles and Rights at Work
- Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
- Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
- Forced Labour Convention, 1930 (No. 29) (and its 2014 Protocol
- Abolition of Forced Labour Convention, 1957 (No. 105)
- Minimum Age Convention, 1973 (No. 138)
- Worst Forms of Child Labour Convention, 1999 (No. 182)
- Equal Remuneration Convention, 1951 (No. 100)
- Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
- Occupational Safety and Health Convention, 1981 (No. 155)
- Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)
- Forced Labour (Supplementary Measures) Recommendation, 2014 (No. 203)
- ILO Indicators of Forced Labour
- ILO Combating Forced Labour - A Handbook for Employers & Business
- IOM Migrant Worker Guidelines for Employers
- ILO Code of Practice on Safety and Health in Textiles, Clothing, Leather and Footwear