



YATSEN HOLDING LIMITED ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2022



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Sound Governance

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About This Report

As a leading player in China's beauty market, Yatsen Holding Limited ("Yatsen", "we" or the "Company") is committed to becoming "a health and beauty explorer in the new technology era". We regard our product excellence, brand reputation and operational capability as our core competencies, and we position our research and development (R&D) capabilities and access to consumer insights as our strongholds. Since inception, we have been making unremitting efforts to serve our consumers, employees, and the society at large. We have integrated environmental, social and governance (ESG) considerations into our decision-making process. We seek to remain highly attuned with the needs of our various stakeholders and communities, and place ESG at the forefront of our long-term development focus.

This is our second ESG report, covering information regarding our ESG-related initiatives from January 1 to December 31, 2022 (the "Reporting Period"). This report also includes data and information pertaining to certain material developments prior to or subsequent to the Reporting Period. We aim to provide our stakeholders with a comprehensive view of Yatsen's ESG concepts, practices and achievements in 2022.

This report primarily refers to the Global Reporting Initiative *Sustainability Reporting Standards* (GRI Standards) and the United Nations Sustainable Development Goals (SDGs). We also referenced the key considerations pertaining to ESG by Morgan Stanley Capital International

(MSCI), a world-leading rating agency, as well as the best practices by peers in related fields at home and abroad. Also, this report reflects and addresses the material topics of concern by the Company's investors, directors, management, and employees.

This report has been determined in accordance with a set of established procedures that include identifying and prioritizing material ESG issues, determining reporting boundaries, collecting related information, preparing the report, and reviewing the information as set out in the report.

This report is published in Simplified Chinese and English for readers' reference, and the electronic version is available on the official website of the Company (www.yatsenglobal.com). If there is any inconsistency between the English and Chinese versions, the English version shall prevail. We attach great importance to opinions from all parties. You are welcome to contact us through the channel below. Your comments will help us to further improve the report and enhance our ESG performance.

Email: ir@yatsenglobal.com

CEO's Message

2022 witnessed comprehensive transformation and reform at Yatsen. Pursuing high-quality development is a core topic on our transformation agenda and also the basic guidance for our ESG building process. Sound ESG governance drives corporate sustainability.

We highly value our ESG management and practices and insist on combining the sustainable development concept with our business operations. We vigorously promote the two-wheel-drive approach of R&D and brand building, with a focus on category innovation and channel optimization, thus achieving high-quality development of the Company.

In the future, Yatsen will strengthen its efforts in three fronts: continually unleash ESG value and create new growth engines; constantly improve green management and unveil sustainable products; launch more charitable projects and leverage our advantages and social influence to pay back to society.

Aspiration - Making Beauty Sustainable

Heading towards a promising future, we stay true to our original aspiration of "creating value for our consumers" and are committed to growing with them. By gaining valuable insights into their needs, we consistently expand our product portfolio and establish a more comprehensive and multidimensional product system.

We dive deep into sustainable products and are committed to providing excellent and efficient service experience. Meanwhile, we make relentless efforts to improve our professional capabilities and pursue self-improvement. We drive product upgrades through innovation by incorporating new technologies and an innovative mindset into the beauty industry. By doing so, we are able to offer quality and creative products to global consumers, infusing the beauty industry with new vibrancy and confidence.



Founder, Chairman of the Board, and Chief Executive Officer (CEO) of Yatsen

黄锦峰

Growth - Building A Community of Shared Values

We join hands with our employees, suppliers and other stakeholders to build a harmonious ecosystem defined by shared values.

We actively manage environmental and social impacts brought by our business operations and are increasingly improving our sustainability governance framework. In the meanwhile, we maintain close communication with stakeholders and work together with them to promote low-carbon corporate development, as well as responsible and stable operations.

We strive to create a diverse, equal and inclusive workplace that provides a platform for employees to unleash their potential and realize their dreams and value. In addition, we have established strong partnerships with various upstream and downstream partners, as well as with a global network of renowned research institutions. Thanks to these endeavors, we can integrate advanced resources and make ceaseless breakthroughs in product innovation to continuously empower the high-quality development.

Sustainability - Addressing Environmental Challenges

Guided by China's "dual carbon" strategic goals, Yatsen is devoted to the long-term vision of becoming "a health and beauty explorer in the new technology era" while promoting low-carbon development. In addition to unwaveringly fulfilling our environmental commitments, we strive to build a comprehensive development system that covers sustainable procurement, sustainable products, sustainable transportation, sustainable consumption, and sustainable office.

Our efforts include purchasing raw materials that meet our standards, using eco-friendly packaging materials, and promoting lightweight packaging to provide greener products to consumers. We also insist on promoting green consumption and sustainable lifestyles.

We proactively track the impacts of our products on climate change, carry out life-cycle product carbon footprint accounting, and encourage our upstream partners to jointly manage carbon emissions and energy consumption, thus helping achieve the goal of carbon neutrality and contributing to global climate governance.

Contribution - Supporting Social Welfare

As a responsible global corporate citizen, Yatsen deeply engages in public welfare activities to enhance brand value while pursuing corporate growth.

We have embarked on a new journey of beauty discovery with a focus on women's empowerment, preservation of natural beauty, and conveying the beauty of goodwill. We have been launching the training program "Create Better Life with Beauty Makeup". We adhere to "business for social good" and empower women to discover, protect and create beauty, fully unleashing female power. We are also devoted to environmental protection and social responsibility. By exploring a sustainable pathway for public welfare, we share the achievements of our corporate development and contribute to promoting social harmony.

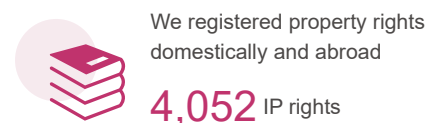
Looking into 2023, Yatsen will ramp up efforts to integrate the ESG concept into corporate strategic planning and every link of production and operations. We will also explore more possibilities by serving as a contributor to the ESG ecosystem building in China. While steadily advancing business expansion in the domestic market, we will speed up global layout to respond to the expectations of our global consumers for beauty. We will showcase the brand creativity of "Chinese beauty" to the world from various perspectives and collaborate with all sectors of society to build a more beautiful world.



Our Highlights in 2022

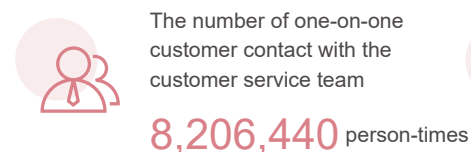
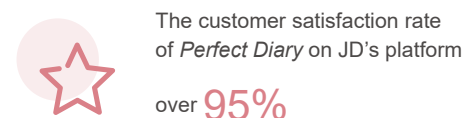
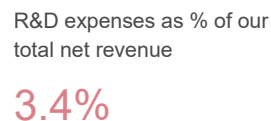
Corporate Governance

Key Data



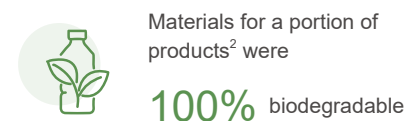
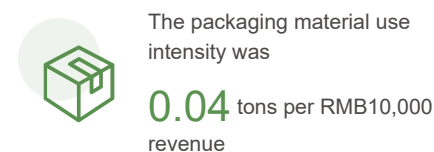
Product Quality

Key Data



Environmental Responsibility

Key Data



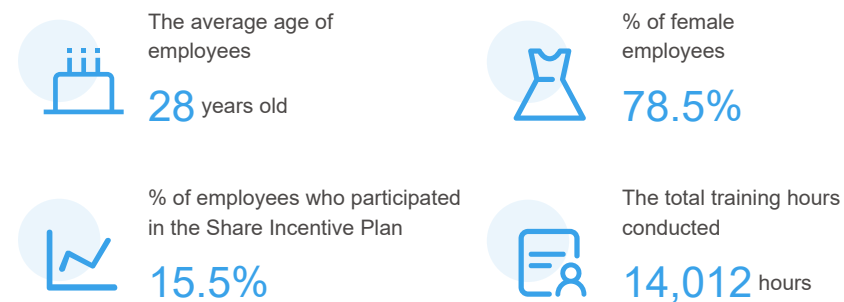
¹ The recycled products are marked with the Green Dot.

² It refers to the capsule packaging of *EVE LOM* Cleansing Oil Capsules and Age Defying Smooth Treatment, and the cotton pads of Rescue Peel Pads of *EVE LOM*.

³ They refer to the gift boxes and printed materials inside of *Galénic* products in China.

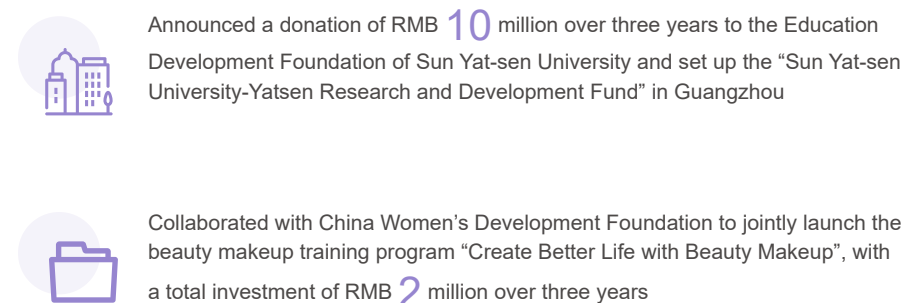
Responsibility for Employees

Key Data



Social Influence

Key Data



About Us

Company Profile

Yatsen is a leading China-based beauty group with the vision of being “a health and beauty explorer in the new technology era”. Founded in 2016, Yatsen is a locally incubated, nurtured and fast growing beauty company headquartered in Guangzhou, Guangdong Province, China. In recent years, we have launched and acquired multiple color cosmetics and skincare brands including *Perfect Diary*, *Little Ondine*, *Abby's Choice*, *Galénic*, *DR.WU* (its Chinese mainland business), *EVE LOM*, *Pink Bear* and *EANTiM*. In November 2020, Yatsen was officially listed on the New York Stock Exchange (“NYSE”). In 2021, Yatsen attended the Asia-Pacific Economic Cooperation (APEC) CEO Summit and was named as one of the industrial demonstration samples of the digital economy in China. In 2022, in the ESG rating published by the world's leading largest index company, MSCI, we were upgraded to Level A.



Development History

2016

In August 2016, Yatsen was established.

2019

In April 2019, we opened the first *Perfect Diary* offline experience store.

In June 2019, we acquired the homegrown Chinese brand *Little Ondine*.

In November 2019, *Perfect Diary* became the first domestic brand to top the "Double Eleven shopping festival" color cosmetics sales ranking.

2017

In April 2017, we launched our first beauty brand *Perfect Diary*.

2020

In June 2020, we incubated our new skincare brand *Abby's Choice*.

In July 2020, the Yatsen Product R&D Center was officially put into operation.

In October 2020, we acquired the French premium skincare brand *Galénic*.

In November 2020, we were successfully listed on the New York Stock Exchange, becoming the first domestic Chinese beauty group to be listed in the U.S.

In December 2020, Yatsen and Sensient Technologies Corporation, a global leading supplier of pigments for food, medical and cosmetics applications, jointly established new color joint laboratories in Shanghai, Guangzhou, and Singapore.

2021

In January 2021, we acquired *DR.WU* (its Chinese mainland business).

In March 2021, we acquired the United Kingdom-based international premium skincare brand *EVE LOM*.

In March 2021, a new independent color cosmetic brand *Pink Bear* was launched.

In April 2021, the "Open Lab R&D System" was established.

In August 2021, the joint laboratory of Yatsen × National Engineering Research Center for Nanomedicine of Huazhong University of Science and Technology was established.

In September 2021, we acquired *EANTIM*, a microbiome skincare and haircare brand.

In October 2021, we released the SmartLOCK™ technology, which was jointly developed with the Wang Chunru Researchers Team of the CAS Key Laboratory of Molecular Nanostructure and Nanotechnology.

In November 2021, we conducted cooperation with Shanghai Ruijin Hospital to build Yatsen Medical Skincare Joint Laboratory.

In November 2021, we conducted cooperation in skin research with Sun Yat-sen University for a 3-year term.

2022

In February 2022, we cooperated with the National Engineering Research Center for Nanomedicine of Huazhong University of Science and Technology in the research of targeted anti-redness technology.

In May 2022, we released our first ESG report, committing to building "sustainable beauty".

In May 2022, the first self-developed sunscreen special certificate was approved.

In June 2022, Yatsen Research and Development Center received CNAS accreditation related to fluorescent brightener.

In June 2022, we participated in the formulation of national standards regarding fluorescent whitening agents for the first time.

In July 2022, *Perfect Diary* was launched in Japanese offline stores for the first time.

In July 2022, our brands, *Perfect Diary*, *Little Ondine*, and *Pink Bear* participated in the China International Consumer Products Expo in Hainan.

In September 2022, two technological achievements were showcased at the International Federation of Societies of Cosmetic Chemists (IFSCC) in London, the Olympics of Cosmetic Research and Development internationally.

In November 2022, we announced to build a joint laboratory with Sun Yat-Sen University.

In December 2022, our MSCI ESG rating was upgraded to Level A.

Corporate Culture

Corporate Vision

A health and beauty explorer in the
new technology era

Corporate Mission

The leader of Chinese beauty

Values

- Create values for customers, partners and employees
- Results-oriented, respect KPI
- Focus on getting things done, de-hierarchy and de-bureaucracy
- Drive, Smart, Beauty
- All In
- Keep Young, Be Happy

Brand Portfolio

Perfect Diary

China's New Fashion Color Cosmetic Brand – *Perfect Diary*

Perfect Diary was launched in 2017 to change beauty stereotypes. The founding team aims to offer a range of high-quality, creative and amazing products so that everyone can express and pursue their own beauty effortlessly, building a fashionable Chinese color cosmetic brand.

Brand Mission: enabling everyone to express and pursue their own beauty effortlessly.

Brand Vision: *Perfect Diary* believes that the world will be a better place when any aspiration for beauty is valued.



Little Ondine

Stylish Color Cosmetic Brand – Little Ondine

Founded in 2013, *Little Ondine* initially gained popularity with its odorless, non-toxic, easy peel-off and fashionable nail polish. *Little Ondine* is committed to inspiring young female consumers to embrace their individuality and cultivate their unique styles through adventurous exploration of different makeup and styling. Over the years, *Little Ondine* has consistently led the way in staying ahead of ever-changing trends, offering a wide range of professional makeup products.



Pink Bear

Young Girl Color Cosmetic Brand – Pink Bear

Pink Bear is a new young girl color cosmetic brand established in 2021. Targeting Gen-Z girls, it provides high value-for-money color cosmetic products that are cute, funny and user-friendly, so as to explore more possibilities of getting beauty with young girls. For *Pink Bear*, pink represents the magical power to create beauty, the unwavering pursuit of girls for romance, and the easiest way to unlock happiness. On the road towards growth, *Pink Bear* is well-positioned to accompany young girls and bring a small greatness every day.



Galénic

French Premium Skincare Brand – Galénic

Originated from France, *Galénic* was founded in 1978 by Dr. Pierre Fabre, a well-known pharmacist and botanist. *Galénic* aims to offer premium dermo-cosmetics with proprietary formulations and highly demonstrable effectiveness. It is a cutting-edge brand combining Europe's medical technology with beauty skincare, as well as a premium scientific skincare brand pioneering in French pharmacies, providing scientific skincare solutions and exceptional skincare experience for numerous consumers around the world. Its series of products are jointly developed by the Galénic Skincare Laboratory and Pierre Fabre Group.



EVE LOM

British Premium Skincare Brand – EVE LOM

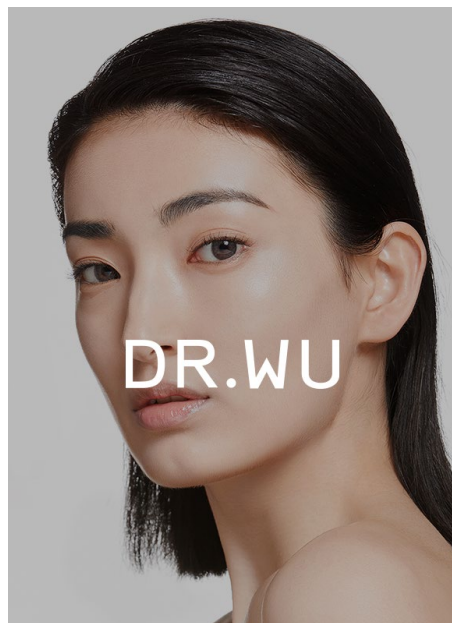
Built on a rich British spa tradition, *EVE LOM* strives to deliver professional beauty and skincare solutions. It was founded in 1986 by Ms. Eve Lom, a famous professional cosmetologist in Europe. In the 1980s, *EVE LOM* first proposed the philosophy of "radiance begins with the perfect cleanse" and drew inspiration from British manors, in a bid to create healthy, elegant and effective skincare products and services for users.



DR.WU

Clinical Skincare Brand – DR.WU

Clinical Skincare Brand – DR.WU was founded in 2003 by Ying-Chin Wu, a reputable dermatology professor in Asia. DR.WU products are formulated with the joint efforts of dermatologists, pharmacists, and chemists. Backed by 50 years of medical experience and 200,000 clinical studies and the idea of “delivering clinical skincare with highly effective yet less skin-sensitive products”, DR.WU is dedicated to providing refined treatments for acne and other skin problems.



Abby's Choice

Emerging Skincare Brand – Abby's Choice

Abby's Choice, an emerging skincare brand, was launched in 2020. Upholding the philosophy of “healthy skin is the source of beauty”, Abby's Choice attentively listens to the genuine skincare needs of users. Empowered by deep insights in the skincare pain points of young users, Abby's Choice has discovered stable repair ingredients, highly active ingredients, and precious ingredients from similar products, thus developing gentle yet effective repair solutions tailored to young Chinese consumers.



EANTiM

Emerging Skincare and Haircare Brand - EANTiM

With 20 years of experience in the pharmaceutical industry, Mr. Wu Xusheng, the founder of EANTiM, has dedicated his career to the study of skin barrier health. Through extensive clinical collaborations with dermatologists, he has identified a strong link between microorganisms/flora and the onset and progression of various skin diseases. In 2018, he led a team to explore scalp microbiome, forming a distinctive concept for scalp microbiome care. Starting from the micro ecology, EANTiM believes in the philosophy of the balance between health and beauty. Empowered by the innovative ESR5 evidence-based scientific research system, EANTiM delivers a safe and effective customer experience with progressive efficacy tests. EANTiM will continue to devote itself to utilizing cutting-edge findings from microbiome scientific research to provide users with novel scalp health solutions.



Honors (Extract)

Corporate honors

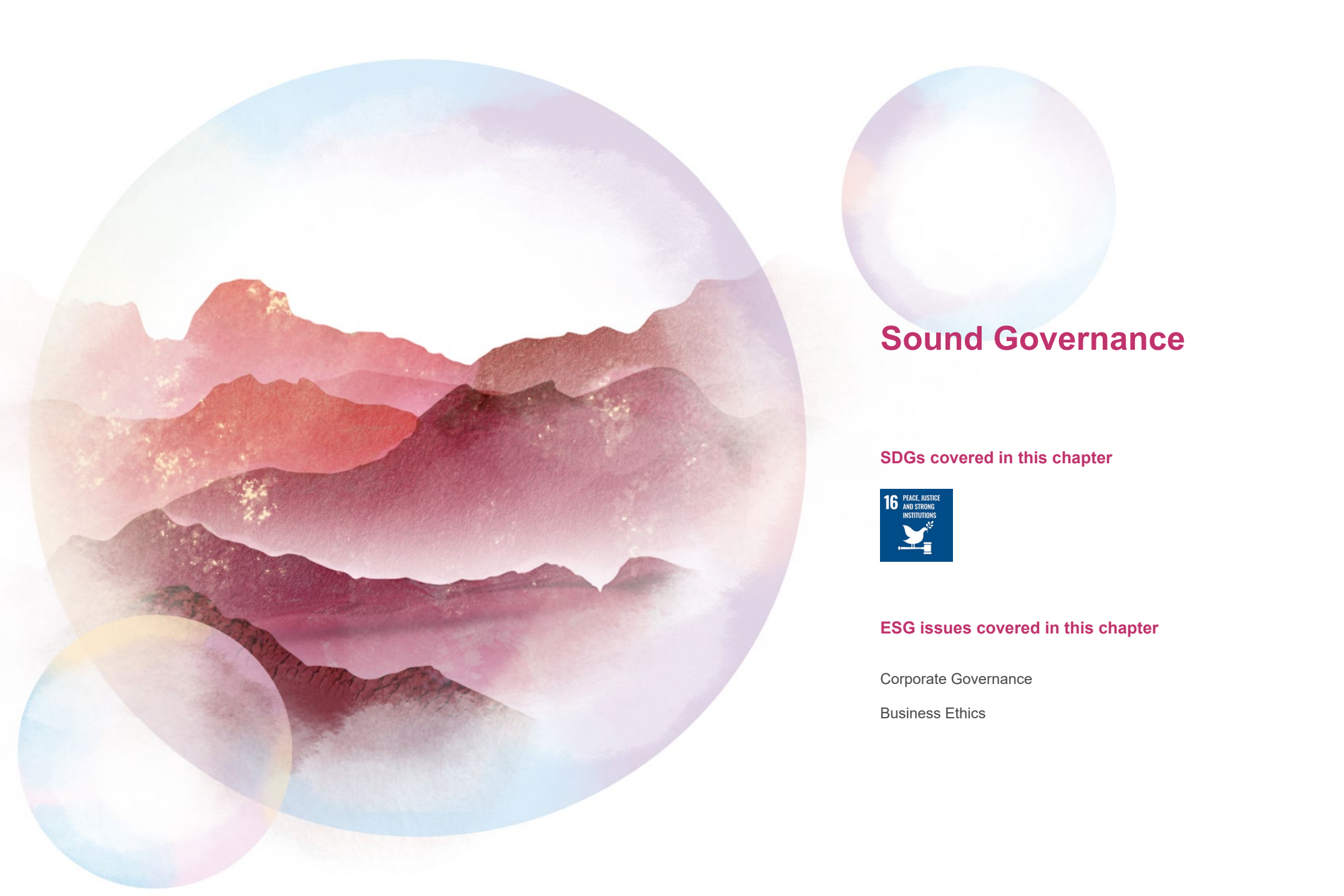
Awards	Awardees	Sponsors	Awards	Awardees	Sponsors
2022 WWD Beauty Inc's Top 100	Yatsen	WWD	The Spirit of Doing Embroidery - Focusing on Public Welfare Projects for Women's Development	Yatsen	Yangcheng Evening News
2022 CRO Award	Yatsen	National Business Daily	2022 The Paper Annual Responsibility Practice Public Interest Award - Yatsen "Creating Better Life with Beauty Makeup" Beauty Makeup Training Program	Yatsen	The Paper
Top 100 Most Promising Listed Companies	Yatsen	Snowball Finance Inc.	2022 Tech-innovation Enterprise	Yatsen	CAIJING.COM.CN
2022 Human Resources Management Excellence Award - Outstanding Employer	Yatsen	51 Job			
Kindness Contributor Award - 2022 Socially Responsible Enterprise	Yatsen	New Express			



Brand honors

Awards	Awardees	Sponsors
Ten Years of Branding in the New Era: Excellent Brands	<i>Perfect Diary</i>	CHINA BRAND
2022 National Popular Products - Name-card Lip Glaze	<i>Perfect Diary</i>	people.cn
2022 Foreigners' Most-Favored Chinese Brands	<i>Perfect Diary</i>	Xinhua News Agency
The Content Marketing Most Popular with Gen Z	<i>Perfect Diary</i>	The Time Weekly
Marie Claire Top 100 2022 - Best Foundations	<i>Little Ondine</i>	Marie Claire
Beauty Awards - Autumn - Modern Tones	<i>Little Ondine</i>	NetEase Fashion
Fashion & Beauty Awards 2022 - Creative Color Cosmetics - Rich Color Eyeliner Award	<i>Little Ondine</i>	PCLADY
Marie Claire Top 100 2022 - List of Repair and Essence Products	<i>Galénic</i>	Marie Claire
PCLADY Fashion & Beauty Awards 2022	<i>Galénic</i>	PCLADY

Awards	Awardees	Sponsors
2022 InStyle Best Beauty Buys Awards	<i>EVE LOM</i>	InStyle
2022 ViVi China Cosmetics Awards - Best Makeup Cleansing Balm	<i>EVE LOM</i>	ViVi
PCLADY Fashion & Beauty Awards 2022	<i>EVE LOM</i>	PCLADY
The 4th BeautyInc Awards - New Skincare Products of 2022	<i>EVE LOM</i>	BeautyInc
The 6th CMO Marketing Value Summit and Golden Craftsman Award Ceremony 2022 - Top Ten Emerging Brands of the Year	<i>Pink Bear</i>	Golden Craftsman Award
Sohu Fashion 17th Trust in Your Beauty - Trusted Cosmetics of the Year: Bubble Water Gloss Lip Glaze	<i>Pink Bear</i>	Sohu Fashion
The 11th Beauty & Lifestyle Expo and Global Beauty & Lifestyle Summit Supernova Brands of the Year	<i>Pink Bear</i>	BEAUTY & LIFESTYLE EXPO
OnlyLady Must-buy Repair Face Masks in 2022	<i>Abby's Choice</i>	OnlyLady
Journey's List of Best Hydrating Face Masks in October	<i>Abby's Choice</i>	Journey



Sound Governance

SDGs covered in this chapter



ESG issues covered in this chapter

Corporate Governance

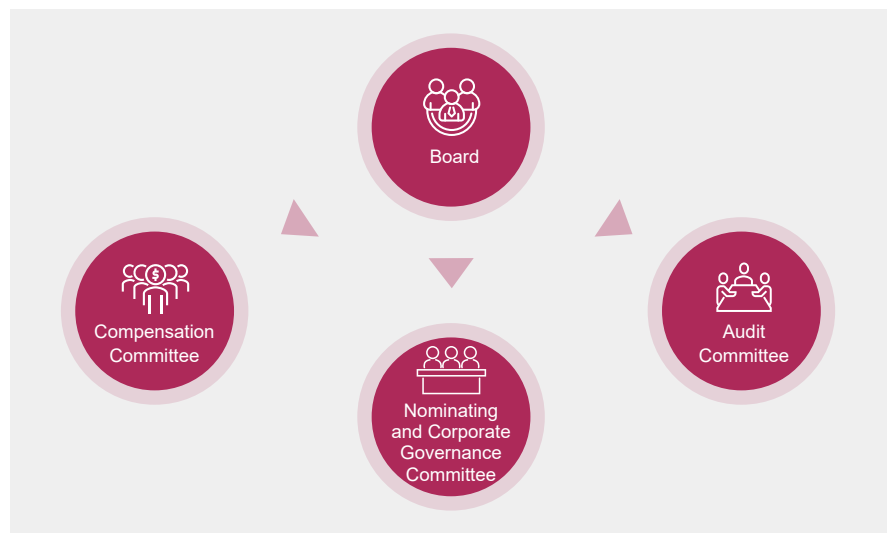
Business Ethics

Corporate Governance

Yatsen has established a governance structure in compliance with the laws and regulations pertaining to listed companies by the U.S. Securities and Exchange Commission and the New York Stock Exchange, in a bid to ensure compliant and efficient corporate governance and secure robust and stable corporate development.

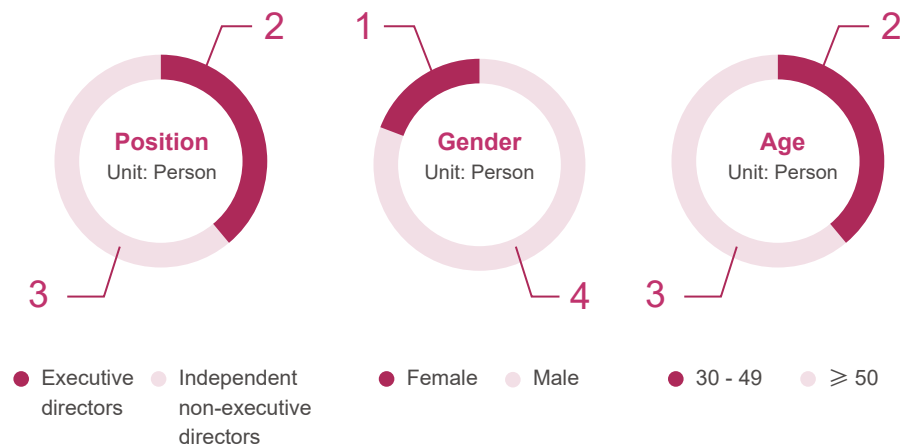
Governance Structure

We have established our Board and its Compensation Committee, Nominating and Corporate Governance Committee, and Audit Committee in accordance with listing rules in the United States. Information about our Board and each director are accessible to investors upon request on our [Investor Relations website](#).



Board Diversity

We highly value the increasing enhancements in board diversity, constantly focusing on the representation of female directors and independent directors. We endeavor to enrich the background of Board members, to meet the comprehensive experience and skills required by corporate governance and make major corporate decisions more scientifically. In nominating and appointing members of the Board, we consider comprehensive factors including gender, age, industry experience, professional background, and educational qualifications, and make the final decisions based on our business requirements as well as the strengths of candidates. Presently, our directors enjoy industrial experience in consumer goods, Internet, investment bank and accounting agencies, covering multiple fields including risk management and relevant sectors, who are capable of making contributions to the decision-making of the Company in a comprehensive manner.



Risk Management and Internal Control

We maintain consistent compliance operations and continuously strive to enhance our risk management and internal control systems to ensure the effective identification and control of risks. By constantly improving our internal controls, we can sustain stable and uninterrupted operations.

Sound risk management framework

We have established a standardized risk management framework and a regular risk reporting mechanism. We prioritize the continuous improvement of our risk management mechanism. Our Chief Financial Officer (CFO) is the highest responsible person for risk management and oversees all risk-related matters. Heads of each department review potential risks related to their respective business areas, report any major risks found to the CFO at the quarterly risk meetings, and discuss prevention and improvements programs for the risk items. If there is any risk identified, the prevention or improvement plans will also be developed at the meetings. Additionally, the Audit Committee regularly assesses the effectiveness and adequacy of the Company's internal control policies and systems to ensure that risks are controllable. In 2022, we organized departmental annual reviews and assessments of existing protocols and policies to comprehensively sort out institutional systems and make corresponding enhancements and revisions.

Professional risk management system

In 2022, we optimized our risk management system and strengthened key risk management practices, with emphasis placed on the management of risks regarding mergers and acquisitions, and the capital market. With regards to mergers and acquisitions risks, we conduct comprehensive due diligence on projects from business, legal and financial aspects, identify and manage risks

involving the project in advance, and make reports to relevant committees at key project timelines, in a bid to ensure sustained and effective risk management. As for capital market risks, we hire top legal agencies as our counsels to ensure corporate practices in compliance with laws and regulations.



Effective and responsive public relations management

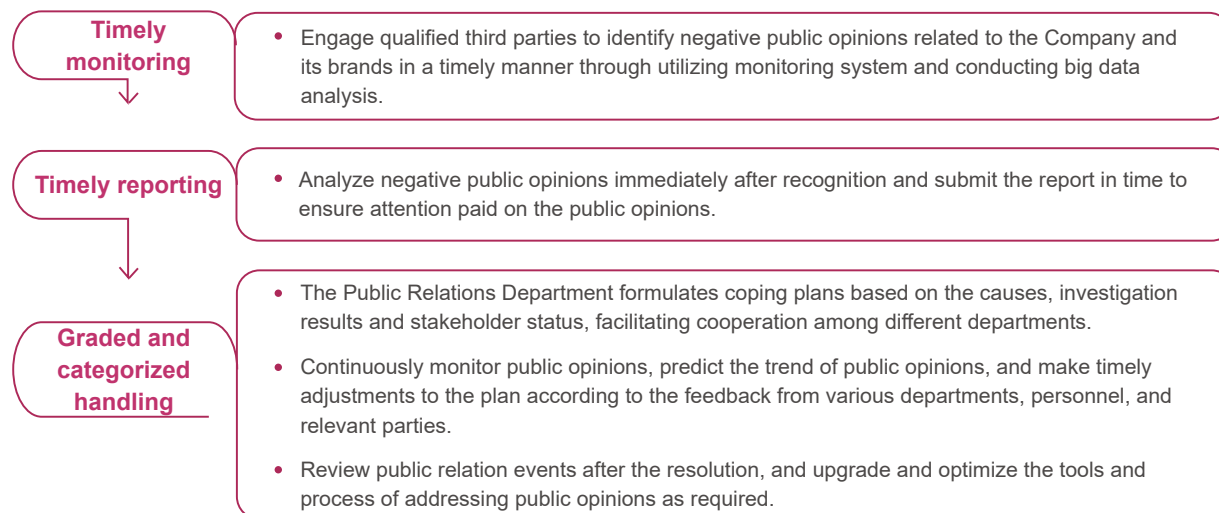
We highly value good public relations management. We have established sound daily monitoring and warning mechanisms to ensure preventive management of public relations risks. We proactively troubleshoot potential risks and develop countermeasures to intervene in the development trends of public opinions, thus effectively avoiding public relations crises. In addition, we have implemented systematic and professional training schemes, such as daily training on responses to public opinions, drills for crisis management and response, spokesperson training, and media interview training, covering risk management

theories, risk communication skills and case analysis. These efforts can effectively improve the capabilities of our employees to deal with risks.

We have put in place sound public relations response solutions, involving timely monitoring, reporting, and graded and categorized handling of public opinions. We have developed a clear response process for any number of public relations incidents and scenarios such as consumer complaints and investor inquiries. In the event that a negative public relations incident occurs, we will form a cross-departmental working team to undertake an in-depth

investigation and categorize major departments in charge of follow-ups. If a public relations incident occurs and creates material impact on the Company's market value or stock price, we will work with our legal teams to address any rumors and issue the appropriate announcements in a timely manner to avoid or reduce the impact of negative public opinions against the Company in accordance with the relevant regulatory requirements.

Public Opinions Response Process



Investor Communication

Information disclosure and investor relation management are key elements of corporate governance. In accordance with the rules and regulations where we are listed, we disclose corporate information in a just, open, and fair manner, to constantly enhance information transparency. We provide investors with diverse communication channels, patiently respond to their queries, and develop a responsible and reliable company image.

We disclose annual and quarterly results in accordance with listing rules in the United States, and issue announcements as required to ensure timely and accurate disclosure of material information. We constantly improve information disclosure quality to ensure true and complete disclosure, so that all stakeholders can learn the progress of major matters and business operations, thus protecting their rights and interests.

We vigorously improve our business operations in capital markets and enhance market reputation in various forms including roadshows, media exchanges, analyst communication meetings, and investor communication meetings. Through media exchanges, we introduce business moves to the market, provide product samples, and build friendly media relations while strengthening content distribution, thus enhancing the market's understanding of our latest development status.



In 2022, we held **4** quarterly results meetings and approximately

80 investor communication meetings and roadshows.

The Company was covered by **9** research analysts.

Business Ethics

We strictly abide by the relevant provisions of the *Anti-Monopoly Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*. We are constantly optimizing our business ethics and anti-corruption management mechanisms, as well as reporting mechanisms, strengthening our compliance review and integrity education while encouraging our supply chain partners to uphold the highest business ethics standards. With these endeavors, we are committed to creating a compliant industry and market with integrity. During the Reporting Period, the Company was not involved in any cases involving corruption, bribery, extortion, fraud, insider trading and money laundering.

Sound Governance Framework

We have established an internal supervision and inspection mechanism to ensure effective management of business ethics and matters regarding internal control. This mechanism is authorized by the Board, supervised by the Audit Committee, and actively involves relevant business departments such as audit, risk control, finance, and legal affairs. The internal audit and control department and legal department are responsible for overseeing the anti-corruption and business ethics management of the Company and coordinating the implementation of anti-corruption work with various functional departments.

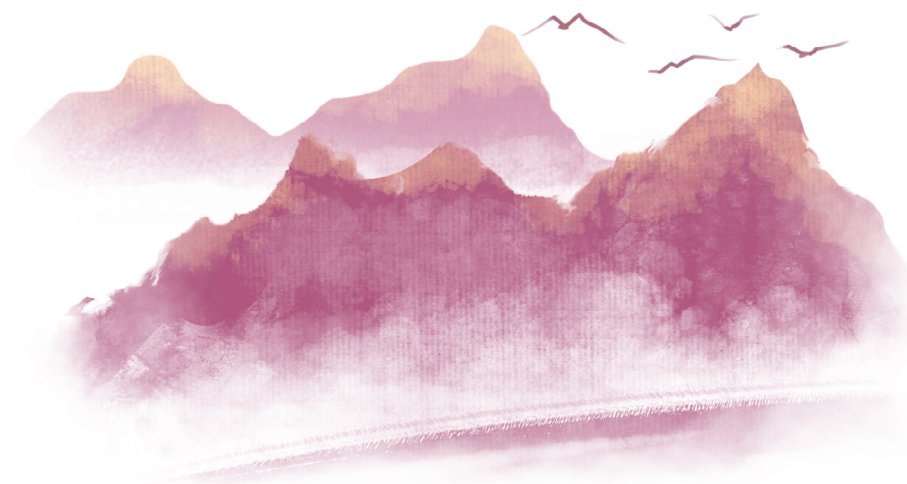


Case study: Yatsen conducted the Anti-corruption and Anti-bribery Compliance Training for all employees

From August to September 2022, the legal department, in collaboration with the internal audit and control department and the human resources department, conducted the Anti-corruption and Anti-bribery Compliance Training for all employees. It was designed to strengthen the integrity awareness of employees to prevent corruption misconducts. Through integrity courses with exams, employees have fully learned the requirements of the Company on anti-corruption and anti-bribery, building a robust ideological line of defense for integrity and compliance.

Code of Conduct

We have formulated and published the *Code of Business Conduct and Ethics*, which specifies the relevant policies relating to conflict of interest, anti-money laundering, anti-corruption, and anti-bribery, which applies to all employees (including part-time employees and contractors), suppliers as well as other partners. To publicize ethical requirements of the Company and put the code of conduct into action, we require all employees to sign the *Employee Handbook* and suppliers to sign the *Integrity Commitment* or the *Code of Conduct of Business Partners*, respectively. In addition, we provide regular training on business ethics for all employees, including permanent employees, part-time employees, contractors, and interns, to improve their understanding of the Company's ethical requirements.



Strengthening compliance review

We constantly strengthen our internal compliance review. The internal audit and control department performs a comprehensive audit on the behavior of business ethics standards across the entire company at least once every three years to ensure the effectiveness of the policy. Furthermore, we carry out internal control review projects on a regular basis and initiate special internal control reviews on personal information protection and office system license management as well as undertake unannounced inspections of units, such as stores and warehouses, to detect potential compliance issues in a timely manner. In 2022, we conducted selected audits on some businesses, including business ethics risks, with no violations of business ethics standards found.

Safeguarding the rights of whistleblowers

In accordance with the *Code of Business Conduct and Ethics*, reporting channels such as hotline, email and mailing address are published on our official website, in supplier contracts and our publicly available *Code of Business Conduct and Ethics*. We have developed a standardized reporting handling process and specified the handling requirements for personnel involved in misconducts. Once receiving a report, dedicated personnel will investigate the reporting clues and provide opportunities for relevant employees to defend themselves. Decisions will be made after investigations and the whistleblower will be notified. We also strictly prohibit any retaliation against whistleblowers and protect their personal information. In addition to dedicated personnel handling the case, no

one is entitled the access to, or disclosure of, the personal information of the whistleblower to prevent retaliation.

In 2022, we conducted training on business ethics in the forms of special training, orientation training, releasing integrity announcements, and signing the letter of commitment, with

100% employee coverage.



Intellectual Property Protection

As a brand right-holder, Yatsen strictly follows the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, as well as other applicable laws and regulations of the place where we operate. We have formulated internal systems such as the *Trademark Protection Management Standards* and the *Patent File System Management Standards*, in order to comprehensively strengthen the protection of intellectual property rights and enhance our competitiveness.

We highly value our achievements in intellectual property rights with firewalls put in place for infringement. We have established a designated intellectual property management team to strictly manage the application, maintenance, use, licensing and transfer, risk prevention and control of intellectual property rights such as trademarks, patents, and copyrights, and to conduct trademark and patent searches prior to registration to avoid possible risks of similarity to prior rights, as well as self-monitoring of market infringements. In addition, we have developed the *Patent File System Management Standards*, which has established a patent file

administration system to manage patent application filed both at home and abroad in a unified and systematic manner to safeguard our rights and interests.

We take integrated measures to combat counterfeit and substandard products by deploying administrative, civil, and criminal actions, as well as intellectual property protection channels on e-commerce platforms, in a bid to protect the rights of the Company and our consumers. In 2022, we strengthened our efforts in infringement search and monitoring for new forms of online shopping, including livestreaming sales and group purchase in Wechat groups. We worked together with enforcement authority to crack down on infringing products, and won several lawsuits, effectively protecting our intellectual property rights and brand reputation.



- In 2022, we had applied **174** domestic and international patents, with **130** granted.
- As of the end of the Reporting Period, we had **3,764** domestic and international trademarks.





Case study: Yatsen joined hands with AACA to protect the rights and interests of brands

In 2022, Yatsen joined hands with Alibaba Anti-Counterfeiting Alliance (AACA) to crack down on counterfeit and substandard products. In cooperation with enforcement departments in multiple cities, Yatsen helped solve a series of criminal cases, deter counterfeiters, and protect the rights and interests of our brands. Through the cooperation and interactions with the Alliance, we have deepened our understanding of platform rules and common problems in the industry, and greatly enhanced the ability and efficiency of safeguarding rights.

We also give priority to improving the employees' awareness of intellectual property rights protection. We respect intellectual property rights of others and organize law popularization of intellectual property rights for employees to enhance compliance in their work. We conduct professional training for departments involved in R&D, product, marketing, product regulations, and regulatory filling, to increase their professionalism.



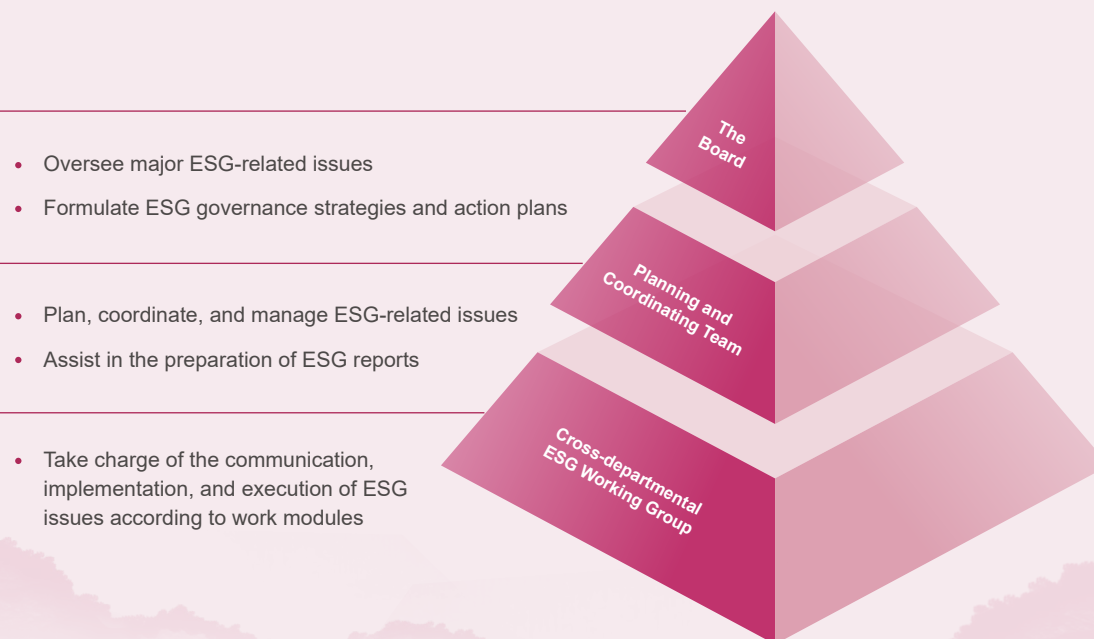
In 2022, we held **2** training sessions on intellectual property rights and **1** special training session for patent-related posts.

Sustainability Governance

We actively manage the environmental and social impacts of our business operations and increasingly improve the sustainability governance structure. We keep close communication with stakeholders and work with all relevant parties to promote low-carbon and sustainable corporate development, as well as responsible and stable operations.

Sustainability Governance Structure

We improve the sustainability governance structure and develop the management hierarchy in which the Board serves as the leader, the public relations department as a coordinator, and all departments as collaborators. The Board of the Company bears the responsibilities of formulating ESG governance strategies and action plans, and regularly oversees and reviews major ESG-related issues and related performance. The public relations department, as the Planning and Coordinating Team, is responsible for planning, coordinating, and implementing ESG-related workstreams across the firm, in addition to preparing the ESG report. The Planning and Coordinating Team assembles a multi-disciplinary team called the Cross-departmental ESG Working Group, which covers issues such as corporate governance, environmental management, production safety, chemical safety, employee management, and customer service. The working group is responsible for managing and implementing specific aspects of ESG initiatives in their respective functional area, as well as reporting ESG-related information on a regular basis.



Communication with Stakeholders

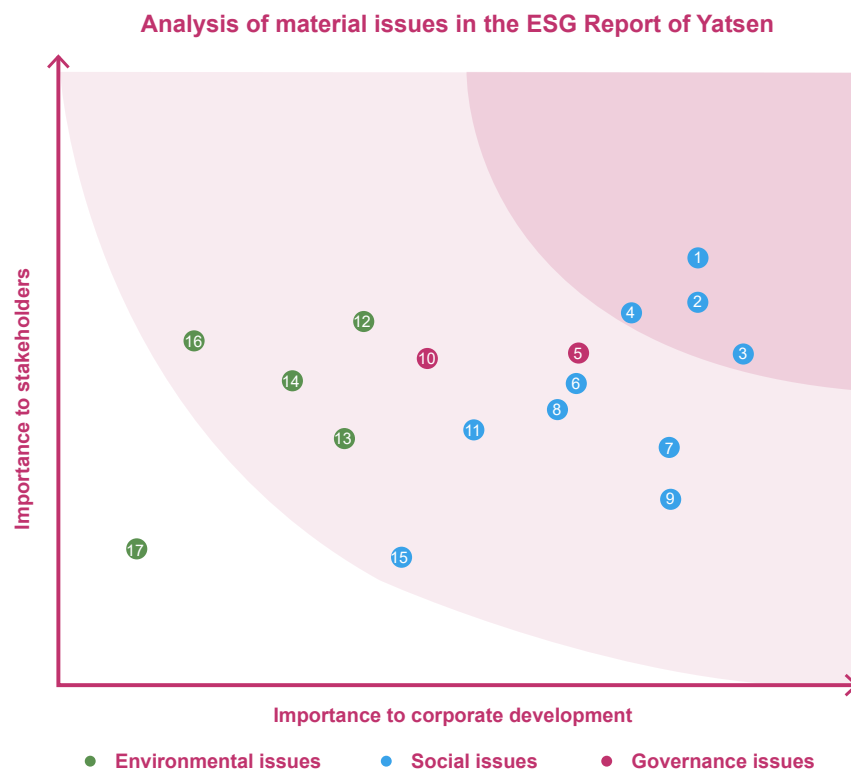
We encourage stakeholders to put forward suggestions on corporate governance and constantly improve mechanisms for communication with stakeholders to provide them with diverse and convenient channels. We actively learn and respond to their queries and demands and join hands with them to build a sustainable future.

Stakeholders	Consumers	Investors	Employees	Suppliers	Government and regulatory agencies	Community and public
Expectations and demands	- Better products and services - Protect customer privacy - Satisfy diverse product needs - Safeguard customer rights and interests	- Sustained and stable returns - Sound corporate governance - Information disclosure and transparency	- Protect the legitimate rights and interests of employees - Healthy and safe working environment - Employee training and development	- Fair trade - Integrity and reciprocity - Build sustainable partnerships	- Compliance operation - Safe production - Energy saving and emission reduction and environmental protection - Promote healthy development of the industry	- Bear environmental responsibility - Social welfare - Promote community building and development
Communication methods	- Customer feedback channel - Satisfaction surveys - Company official website - Social media interaction	- Periodic reports - Company official website - News media - Investor meetings	- Internal office system - Employee training - Employee activities - Employee satisfaction surveys	- Supplier evaluation - Cooperation agreement - Site visits - Supplier meetings	- Periodic reports - Regulation and supervision - Daily communication	- Community activities - Charitable activities - Media reports - Company official website

Materiality Matrix

During the Reporting Period, we identified 17 ESG issues based on internal stakeholder communication, peer benchmarking, with reference to ESG concerns by the capital market and best practices of domestic and foreign peers. We conducted materiality assessments in the form of questionnaires. Based on such materiality assessment combined with ESG

issues, we have concluded a ranking of materiality of ESG issues among the directors and management, consumers, investors, employees, suppliers, and other relevant parties of the Company, which serves as an important reference for the disclosure of our 2022 ESG Report.



Materiality	Priority	Issues
Core concerns	1	Quality and safety of products
	2	Information security and privacy
	3	Chemical safety
	4	Labor management
Key concerns	5	Business ethics
	6	Diversity, inclusion, and respect for human rights
	7	Occupational health and safety
	8	Customer service and responsible marketing
	9	Human resource development
	10	Corporate governance
	11	Sustainable supply chain
	12	Sustainable packaging
	13	Water management
	14	Emissions and waste
	15	Social welfare
	16	Carbon management
General concerns	17	Response to climate change



Premium Products

We firmly believe in a consumer-centric philosophy. We are committed to providing industry-leading products and services that meet the needs and expectations of our customers. We prioritize the R&D and production of sustainable products and persist in delivering high-quality and efficient services to our customers. To earnestly safeguard the rights and interests of consumers, we practice responsible marketing, protect users' information security and privacy. We also promote supply chain management and honor social responsibility with our suppliers.

SDGs covered in this chapter



ESG issues covered in this chapter

Chemical Safety

Customer Service and Responsible Marketing

Sustainable Supply Chain

Information Security and Privacy

Quality and Safety of Products

Sustainable Products

Yatsen cares about the health and safety needs of consumers, proactively explores the pathways for product innovation and technology R&D and delivers high-quality products meeting consumer expectations. We actively seek sustainable raw materials, strictly ensure chemical safety in use, and minimize the negative impact of our products on the environment and the human body. We are committed to creating sustainable products.

Product Quality

Yatsen attaches great importance to product quality. We rigorously abide by the *Regulations on Supervision and Administration of Cosmetics*, as well as other relevant laws and regulations, in order to ensure the delivery of high-quality products to all customers. We have implemented a comprehensive suite of quality management systems, encompassing quality management system for commissioned processing agencies, finished product acceptance and release management system, product quality accountability system, and product recall system. If any products we launch into the market fail to meet our expectations, our product recall control and decision-making system will be activated. The product recall team will work closely with the quality-related departments to assess the severity of any potential quality and safety hazards and determine the appropriate course of action for recalling the affected products. In doing so, we can ensure the health, safety, and satisfaction of our customers.

Product quality management

In 2022, we conducted both internal and third-party audits of the quality management system to continuously improve the system and systematically improve the guarantee of product quality safety in accordance with the relevant guidelines such as the *Regulations on the Supervision and Administration of Cosmetics* and the *Regulations on Production Quality of Cosmetics*. From June to July, the Company organized an internal audit of our internal process system. In September, we engaged Intertek, an international authoritative testing institution and third-party notary firm, to conduct an external audit of our quality management system. Besides incubating quality management modules for cosmetics plants, we conducted 37 quality reviews, established a supervision and inspection mechanism for the finished product production process, and completed 40 unannounced inspections.

To ensure the quality and safety of our products, we assign specific personnel to be responsible for making decisions and managing the quality, safety, and release of all our products. Additionally, we organize regular quality training activities for our staff to enhance their awareness of standardization and quality and improve their ability to manage product quality effectively.

- In 2022, **no** product recall incidents occurred due to quality or safety issues.
- In 2022, our product warehousing inspection pass rate reached an impressive **99.99%**.

In 2022, we organized **30** training sessions on various quality-related topics, including filing consistency, raw material management, quality control issues during new product development, as well as plant management provisions.

Product quality improvement

In terms of quality infrastructure construction and organizational configuration, we have a comprehensive plan in place for ensuring quality and safety. This includes establishing testing laboratories, developing and improving testing method capabilities, as well as monitoring the quality and safety of raw materials and products. To ensure the quality of new products, we focus on identifying and verifying quality safety risks during the design process. In order to maintain high-quality production standards at our plants, we conduct quality risk monitoring and implement a closed-loop management system for our mass production processes. In the new product release stage, we conduct a series of tests, including simulated transportation for finished products, drop test during transportation, and simulated package loss during express delivery. Furthermore, we perform inspections on both the appearance and performance of our products. After the products are sold, we collect feedback from consumers on their usage experience, in order to continuously improve the quality of our products.

Case study: Optimizing product quality

Little Ondine Liquid Color Eyeliner has been well-received by consumers since its launch. The high concentration of the film-forming agent can speed up the drying process, but it will also increase the risk of the tip becoming dry and not dispensing ink when exposed to air for too long during use. We welcome feedback from all consumers for product improvements. For example, while maintaining the desired makeup effect, we enhance the ink retention capacity of our liquid eyeliner brushes by adjusting factors such as the brush head type, length, and bristle volume. In addition, we enhance the smoothness of the texture by fine-tuning the formula. Through high- and low-temperature stability comparison tests, we carefully select the combination of ingredients that not only performs better but also is the most popular among consumers. With these improvements in place, our new product is now ready for launch.

We highly value the exchanges and cooperation within the industry. In 2022, we actively participated in industry events on product quality and safety. These events have provided opportunities for us to share and learn advanced experience in quality management.



Product Research and Development

At Yatsen, we persist in tapping the full potential of innovation, enhancing our R&D capabilities, and delivering products that meet consumers' expectations. We drive R&D breakthroughs through category innovation, while empowering category innovation through product R&D. Drawing on our profound insights into the diversified needs of consumers, Yatsen continuously strengthens the multi-dimensional capacity of our teams. Our goal is to offer consumers a broader range of high-quality products and innovative experiences, allowing them to explore their own unique journey of beauty.

Enhancing R&D capabilities

Yatsen prioritizes product innovation and development. To this end, we have formulated the *Industry-University-Research Cooperation Management System* and the *Scientific and Technological Talent Cultivation and Incentive Mechanism*. In addition, we proactively strengthen our cooperation with research institutions and universities to enhance our independent innovation capabilities and core competitiveness. In collaboration with renowned research institutions, universities, and hospitals in China and beyond, we have established Open Lab, a revolutionary ecosystem for joint R&D. Under the framework of Open Lab, we have assembled a competent technical team and established multiple research labs to drive sustainable innovation and development. To further enhance our R&D capabilities, Yatsen has established in-depth partnerships with a global network of research institutions and universities, including the Wang Chunru Researchers Team of the CAS Key Laboratory of Molecular Nanostructure and Nanotechnology, the National Engineering Research Center for Nanomedicine, University of Lyon, Shanghai Ruijin Hospital and Sun Yat-sen University. In addition, we have actively cooperated with world-leading raw material suppliers, such as Sensient Technologies Corporation and Naolys, a French plant stem cell culture institution.

- The R&D investment for 2022 was RMB **127** million, accounting for **3.4%** of total net revenue.
- Yatsen has a team of R&D, product development and production management, consisting of **198** employees with high academic qualifications.
- In June 2022, Yatsen Research and Development Center obtained **laboratory accreditation certificates** from China National Accreditation Service for Conformity Assessment (**CNAS**).



Yatsen Shanghai R&D Center

We will invest over RMB 60 million in Shanghai R&D Center, which covers an area of more than 3,800 square meters. With more than RMB 20 million devoted to equipment purchase, the R&D Center will comprise various well-equipped labs for formula, physico-chemical and microbial research, clinical sensory tests, cutting-edge technologies, and packaging. Upon completion, it is expected to accommodate more than 150 R&D personnel.



Yatsen-Ruijin Medical Skincare Joint Laboratory

Covering an area of 324 square meters, the joint laboratory is located in close proximity to Shanghai Ruijin Hospital. It is equipped with a range of advanced equipment, including cell culture rooms, flow cytometers and real-time quantitative PCR instruments. Under the guidance of “Beautiful Skin, Healthy Body” advocated by Prof. Zheng Jie from the Dermatology Department of Shanghai Ruijin Hospital, the lab is engaged in the R&D of high-performance skincare products. The R&D efforts also extend to body, scalp, and facial care products.



Sun Yat-sen University-Yatsen Group (YSG) Skin Health Precise Research Joint Laboratory

Established in November 2022, the lab consists of two research platforms. Firstly, the Chinese Skin Aging Research Platform leverages cutting-edge single-cell transcriptomics to study the aging process of Chinese individuals from five different dimensions. Secondly, the Bio-fermentation Research Platform of Sun Yat-sen University mainly focuses on topics such as the application of probiotics in cosmetics and the cytological efficacy of cosmetics.



Promoting technological innovation

Technological innovation is a cornerstone of our business philosophy. In 2022, under the “Open Lab” framework, we collaborated with a global network of renowned research institutions, universities, and hospitals to identify, develop, and commercialize the latest innovations in skincare and cosmetics. Our commitment to creating high-quality beauty products is unwavering. We have successfully implemented a number of innovative technologies and techniques. For example, the proprietary SmartLOCK™ technology, co-developed with the Wang Chunru Researchers Team of the CAS Key Laboratory of Molecular Nanostructure and Nanotechnology, has been adopted in the *Perfect Diary Pearl Loose Powder*. SmartLOCK™ is designed to absorb excess oil from the skin without compromising the effect of makeup. Additionally, we collaborated with the National Engineering Research Center for Nanomedicine to develop a targeted anti-redness technology via nano-delivery systems. This technology has been incorporated into *DR. WU Triple Action Repair Serum* for redness repair.



Case study: Invention patent - repairing component Cerashield

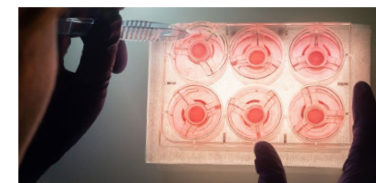
Yatsen recognizes that the formula of ceramide can be challenging and often falls short of delivering excellent skincare results. To address this, Yatsen formed the joint laboratory of Yatsen × National Engineering Research Center for Nanomedicine of Huazhong University of Science and Technology, in partnership with the National Engineering Research Center for Nanomedicine. The joint lab conducted extensive research on the targeted delivery of active ingredients to enhance their penetration into the skin. Cerashield, our independently-developed component, has multiple ceramides and vetiver root extract and no third party has been authorized for its use. Cerashield utilizes the transdermal nanocarrier co-delivery to encapsulate multiple ceramides and vetiver within nanocarriers. This innovative approach enables easier absorption, stronger penetration, and longer retention of active ingredients. At present, Cerashield has been applied to a number of *Abby's Choice* products, achieving better repair effects for our consumers.

*Chinese invention patent: 202111555828.X



Case study: Efficacy test with 3D skin model

This research was jointly conducted with Labskin, a French skin lab. In this program, we produced 3D full-thickness human skin damage models by simulating various environmental stressors that young people in Asia are commonly exposed to, such as PM2.5 pollution, sun exposure, and poor skincare habits. The model was used to assess the efficacy of active ingredients in improving skin conditions and their ability to resist skin inflammation and photoaging. Our proprietary raw materials, such as Cerashield and Vitis Vinifera extracts, have demonstrated remarkable efficacy in enhancing the skin's epidermal barrier and cohesion, reducing the damage of UV rays and pollutants, and maintain stable overall skin health. Several research findings have been published in renowned international journals, such as IFSCC, as well as leading core publications in China.



Efficacy Test via 3D Human Skin Model



Research Findings Published in Core Journals

Sustainable Raw Materials

Yatsen focuses on providing sustainable products. We prioritize the use of sustainable raw materials and actively promote the procurement of eco-friendly products. Furthermore, we persist in incorporating the concept of “Clean Beauty” into our products, as part of our commitment to sustainable products. We also strive to create products which are both skin-friendly and environment-friendly. Our efforts include actively developing formulation technologies that meet standards concerning environment and health, prioritizing the procurement and use of raw materials with less environmental and social impacts, as well as supporting the use of renewable resources in the production process.

We actively promote the sustainable procurement of palm oil, which is an important raw material, and advocate the upstream supply chain to adopt sustainable palm oil for production. In 2022, five of our OEM/ODM factories have applied for and obtained Roundtable on Sustainable Palm Oil (RSPO) certifications, used RSPO-certified palm oil and gradually replaced products produced with non-RSPO raw materials. In the future, Yatsen will prioritize the procurement of sustainable palm oil to increase its proportion of total products procured, and will continue to promote green procurement to improve the environmental impacts of the supply chain.

We insist on seeking natural ingredients, using natural plant extracts derived from coconut oil and oats, and providing users with more healthy and safer products, minimizing environmental pollution. *Abby's Choice Amino Gentle Minimalism Facial Cleanser* features ingredients extracted from natural plants. The product uses double-natural amino acid plant extracts and phytosterols to give consumers a gentle cleansing experience, causing no burden on the environment. Similarly, the cotton pads of *Rescue Peel Pads of EVE LOM* are all made from natural plant-based ingredients that are 100% biodegradable.



Case study: Abby's Choice series of natural products

Abby's Choice Gentle Soft Cleansing Balm contains coconut oil alcohol from natural plant source. The product utilizes an innovative amphiphilic emulsification technology that allows for fast and efficient makeup removal while still providing a gentle and skin-friendly cleaning experience. Adhering to the concept of “minimalism makeup removal,” the product focuses on the efficacy of makeup removal while avoiding the use of unnecessary irritant ingredients such as pigments, alcohol, preservatives, and acne-causing substances. This provides consumers with a natural and gentle makeup removal experience.



**Abby's Choice Gentle Soft
Cleansing Balm**



Case study: Biodegradable materials used in Abby's Choice

Abby's Choice Ceramide Repairing Mask (new formula) uses bamboo-fiber gel film cloth. The use of bamboo fiber in the product allows for natural degradation in soil, making it an eco-friendlier option compared to traditional mask cloths which often cause greater pollution after use.



**Abby's Choice Ceramide
Repairing Mask (new formula)**

Chemical Safety

Yatsen is concerned about chemical safety and strives to provide customers with high-quality and reliable products. We strictly abide by the relevant regulations of our operating locations and the industry, including the *Technical Specification for Cosmetic Safety*, the *Measures for Supervision and Management of Cosmetic Production and Operation* and the *Measures for Adverse Reaction Monitoring of Cosmetics*. We have formulated internal policies, including the *Laboratory Management Regulations* and the *Chemical Safety Policy*, to ensure rigorous product safety assessments and chemical management.

To safeguard the chemical safety of our products, we have implemented strict guidelines and procedures within our laboratories. Our *Safety and Internal Management Procedures* outline the proper storage and usage of chemicals, and any waste chemicals are carefully collected, recorded, and transferred for disposal by certified environmental protection companies. Moreover, we have designated chemical administrators who are responsible for implementing a double-lock system and closely monitoring the management of any hazardous chemicals, thus ensuring chemical safety in laboratories.

Define prohibited ingredients

We have established and disclosed the *Raw Material Control Requirements*, which prohibit the use of raw materials that are carcinogenic, have reproductive toxicity, are skin irritants, or are environmentally hazardous. We strictly control the use of regulated raw materials to ensure the safety of our products for both human health and the environment.

Evaluate the safety of raw materials

We conduct a thorough evaluation of the potential hazards of each raw material and factor into key parameters such as product category, frequency of use, and skin type to define the maximum safe concentration of each raw material in our products, ensuring product safety. In 2022, we strengthened our onboarding testing process by increasing the detection of harmful substances such as pesticide residues and solvent residues based on the properties of each raw material. Additionally, we enhanced the quality testing of finished products. We also implemented a raw material quality management mechanism to monitor and prevent any potential product quality and safety risks from the source of raw materials.

Monitor negative feedback

After launches of our products, we continuously collect and analyze possible adverse effects on consumers through the cosmetics safety monitoring network. We promptly develop improvement plans based on the analysis results to boost consumer confidence in our products.

Comply with disclosure of ingredients

We strictly comply with the *Cosmetics Label Management Regulations*, marking the standard Chinese name of the raw materials of all the ingredients of the product in the smallest sales unit of cosmetics (excluding gifts and not-for-sale products), and listing them in descending order of the content of each ingredient in the product formula. If the content of the ingredients is less than 0.1%, it will be sorted according to the importance claimed. We fully display the product ingredients to consumers and promote consumers' understanding of chemical ingredients. The entire series of *EVE LOM* is free of sulfate surfactants and phthalates. The list of ingredients can be found in the appendix.

Replace controversial ingredients

We continue to optimize product formulas and replace controversial ingredients. We implement a chemical elimination plan, carry out research on the substitution of chemical ingredients with pollution risks, and actively explore substitutes and substitution results for various products. In doing so, we promote the use of more environment-friendly ingredients with higher biosafety. The plant-derived squalane is used as an alternative to cyclopentadimethylsiloxane in the *Perfect Diary Moisture Comforting Cream*. The complete list of ingredients of the product can be found in the appendix.

Chemical Elimination Plan				
Name of chemical eliminated	Reason for elimination	Type of elimination	Scope of restriction	Name of substitute
Cyclopentadi-methylsiloxane (D5)	It is toxic to the human reproductive system and accumulates in the environment with unpredictable long-term effects.	Restricted use	Excluded from washable products	Polydimethylsilox-ane, isododecane, etc.
Polymethyl methacrylate (PMMA)	Cosmetic products containing plastic microbeads are harmful to the environment. When applied to the skin and washed away, these microbeads are carried into sewers and water recycling systems with the wastewater. Even the most advanced sewage treatment plants are unable to completely remove them. As a result, they end up in the ocean, where they become permanent pollutants as they are insoluble in water and difficult to degrade.	Restricted use	Excluded from washable products	Silica powder



In 2022, we increased the test items of conventional heavy metals from 5 to 16; completed 4,937 times of raw materials tests.



Quality Customer Services

Yatsen upholds the philosophy of “creating value for customers” as our service guideline, and we are dedicated to delivering high-quality services to our customers. We actively listen to customer feedback and strive to understand their needs. We continuously enhance the skills and expertise of our customer service personnel to ensure that they provide exceptional services. Fueled by our commitment to customer satisfaction, we are constantly improving our customer service management system to provide an outstanding experience to our consumers.

- Dedicated customer service team comprised **114** members
- The customer service team participated in **177** training sessions
- Training totaled **885** hours
- Training coverage rate achieved **100%**

Optimizing Service Quality

Yatsen values the customer consumption experience and operates under a customer-centric principle. We cherish every opportunity to offer customers a flawless consumption experience. We also strive to deliver meticulous, timely, and professional services by promoting standardized services, conducting timely quality evaluations, and organizing targeted talent promotion. We aim to provide consumers with the highest quality experience possible.

Promoting standardized services

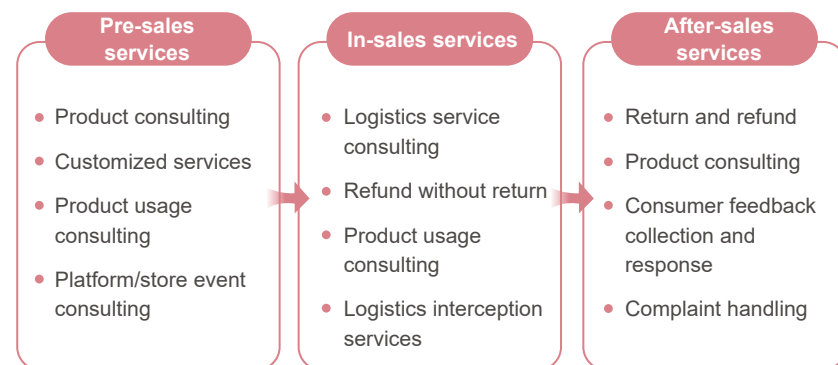
Yatsen constantly creates value for our customers by refining the service processes and methods. We have established standard requirements for customer service behaviors, and our brands have formed Standard Operating Procedures (SOPs) based on the unique characteristics of each product to provide customers with standardized consulting solutions. In 2022, we further optimized the SOPs and introduced the system featuring responsibility of the first-asked for handling customer complaints. We also defined a standard process for customer service handling, along with designated responsible persons to ensure a high-quality user experience.

We employ a multi-channel strategy to engage with customers across multiple brands, utilizing both online platforms and offline stores. Through our sales and order management systems and elaborately crafted trading rules, we ensure that the rights and interests of all users are fully safeguarded. Moreover, each channel is also built with a mature and sound customer feedback collection mechanism. By clearly defining the roles and operating procedures for each channel, we are able to respond to customer feedback promptly and protect their rights and interests effectively.



Online platforms

Currently, all the brands of Yatsen boast a strong online presence across various platforms, allowing customers to access product information through online Apps. The contact window on order page enables customers to inquire about products, pricing, and services before making a purchase. Besides, in the event of an unsatisfactory shopping experience, customers can provide feedback through the after-sales page. This feedback mechanism helps us continuously improve our services and ensure customer satisfaction.



Offline stores

Yatsen has already established some offline retail stores in cities of choice. Compared to online platforms, offline retail stores offer customers more experiential services, including personalized product recommendations, one-on-one customer contact, and in-person experience of products and services. These stores provide customers with better product assurance and professional services. Any customer complaints that occur in retail stores can be collected and handled more efficiently, which further ensures high-quality customer experience.

Service quality supervision

Yatsen upholds the top standards of customer service quality. Our dedicated employees handle service quality inspection and complaint management to ensure exceptional care for our customers. We monitor dialogue quality, customer evaluations, and feedback from customers on our online platforms while handling complaints. This enables us to safeguard the rights and interests of our customers. In 2022, we conducted comprehensive supervision and evaluation of our customer service quality, utilizing intelligent quality control tools for monitoring and conducting any necessary manual reinspection. In the future, we plan to enhance our customer service quality by exploring more intelligent quality control tools and introducing quality check tools from third parties.

We continuously improve the customer service quality assurance mechanism. In 2022, besides monitoring and improving customer service quality, we also adopted new approaches by setting up KPIs for customer service as reception guarantee. We also conduct user satisfaction assessments on a daily basis, so as to improve user services in a targeted manner.

World Consumer Rights Day

To monitor and manage customer service reception quality, the leader of the customer service team conducts a comprehensive inspection on store users by applying quality check tools. In addition to monitoring changes in customer satisfaction and addressing any abnormal issues, the leader also monitors and handles complaints filed through channels such as Black Cat Complaint and government complaint orders, ensuring the protection of consumer rights and interests.

Double Eleven shopping festival

We conduct sampling inspections to identify negative labels, give timely feedback about relevant issues, thus effectively solving the problems that affect customer experience and result in poor user feedback.

Targeted talent promotion

Yatsen places great importance on providing professional services to our customers. We organize an array of talent training programs to enhance the service ability of our customer service staff. We prioritize the training of our customer service staff and strive to improve their professionalism. We have identified the ideal talent profile for our dedicated customer service department and established a robust training system to foster the development of our employees' professionalism, skills, and leadership abilities across various functional areas.



Case study: Customer service training

In 2022, Yatsen organized a comprehensive training program for customer service staff, covering various aspects such as brand connotation, product knowledge, sales skills, and interactive responses. The training was well-received with profound achievements. It not only enhanced the brand awareness of our customer service staff but also equipped them with in-depth product knowledge and stronger sales skills. After studying more knowledge about skincare and skin, the customer service staff gained professional knowledge and expertise to better serve the users. The frequent consultations also improved the customer service quality and Q&A ability of the customer service staff.



Training in progress

The customer service department has developed the "Talent Rotation Plan" to facilitate the flow of outstanding talent among brands, improve organizational vitality and efficiency, and enable the rapid empowerment of new brands' customer service teams. The project entails a six-month rotation plan involving six customer service personnel from our brands. Additionally, the managers of customer service staff will form a consulting group of mentors. Through customer service practices and mentor consultations, the project aims to identify differences and opportunities between customer service teams of different brands and propose relevant plans to effectively enhance their overall capabilities.



Improving Service Experience

Yatsen puts customers first. We are committed to continuously improving the customer experience by actively listening to and responding to their feedback and demands. We have established effective communication channels to convey their opinions and suggestions to the relevant departments within the Company. By doing so, we constantly promote the improvement and upgrading of our products and services, which enhances customers' trust in our brand and helps to build a caring brand.

During the reporting period, the service satisfaction rate of *Perfect Diary* and *DR.WU* on JD's platform exceeded 95%. *EVE LOM* service satisfaction rate reached 100% in January, August and November 2022. The service satisfaction rate of *Galénic* on Tmall's platform exceeded 95% in July 2022. From January to March 2022, the service satisfaction rate of *DR.WU* on Douyin's platform exceeded 95% for three consecutive months. The service satisfaction rate of *Abby's Choice* in January and February 2022 exceeded 95%.

- The number of one-on-one customer contact with the customer service team

8,206,440 person-times

- The average customer service response time

23.3 seconds

- The response to inquiries within 3 minutes

100%

Efficient response to customer demands

We fully respect customers' opinions and suggestions through various channels, including our e-commerce platforms, Wechat groups and 12315 hotline. To address customer complaints efficiently and rapidly, we have formulated management regulations such as the *Customer Complaint Reporting Process* and the *Customer Complaint Grading System*. We also have a sound transaction dispute and customer complaint handling mechanism in place to further improve customer satisfaction.

To respond to customer demands in a timely manner, we have established a dedicated customer complaint handling team that responds to customers' complaints immediately upon receipt. The team provides firm support to customers by seeking to understand their problems and demands. Once the team understands their demands, they handle the complaint according to the workflow and relevant standards, propose targeted solutions, and follow up on the complaint until it is properly resolved.

In 2022, we conducted a business process optimization initiative. We sorted and analyzed various user contact scenarios and continuously improved our customer services, Q&A, and complaint-handling processes and standards to enhance user experience. In addition, we clarified the feedback mechanism for addressing abnormal problems and improved overall service quality.

Analyze bad review cases regularly

Optimize after-sales coping plans, improve the user experience, and reduce scenario-based bad reviews

Optimize after-sales scripts

Optimize and add after-sales scripts, such as scripts for comfort and scripts to explain product quality problems

Improve after-sales coping plans

Optimize coping plans dedicated to scenarios with frequent bad reviews, and cooperate with relevant departments in alignment

Strengthen cross-departmental liaison

Enhance online and comprehensive liaison. For example, comprehensive after-sales personnel handle customers' problems, such as return and reminders, as soon as possible

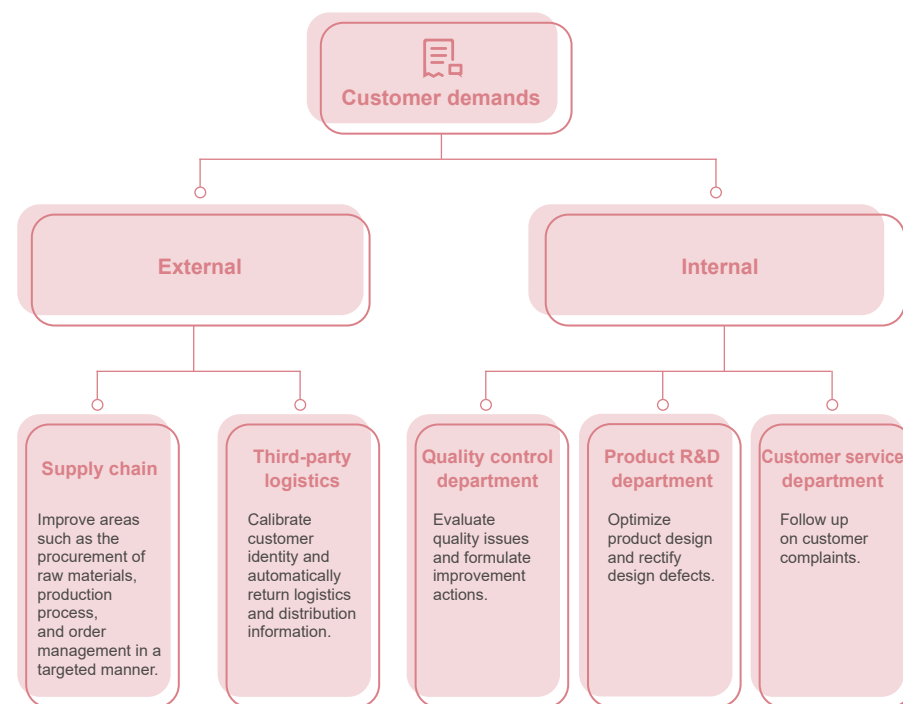
Streamline processes

Analyze scenarios with high interaction frequency and upgrade sales scripts and interaction steps

Optimization of Business Process

Focus on user value

We value customer feedback as a crucial reference for optimizing our after-sales service plans and strive to incorporate user insights into all aspects of our decision-making process. With a focus on user value, we are committed to creating products and services that satisfy our customers' needs. To achieve this goal, we leverage our digital infrastructure to facilitate the connectivity between our work order system and various internal and external data analytics systems. This enables us to constantly optimize our service processes and schemes and deliver customers an experience that surpasses their expectations.



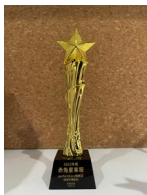
Improvement Process for Customer Complaints Across Multiple Departments

Yatsen seeks to better understand users' feedback and improve customers' shopping experience with our brands and products. To achieve this, the Company has established a user follow-up process and the "Listen to User Feedback" project. We mobilize multiple departments to follow up with users who have provided poor feedback, identifying the reasons behind their uncomfortable experiences, and implementing service quality improvement plans to address those issues.



Awards

In 2022, we received recognition from various platforms in terms of service quality and intelligent service.

Brand	Category of recognition	Name of award	Awarding institution	Figure of award
Perfect Diary	Customer service	2022 Star Customer Service	Red Hare	
	Customer service	2022 JD PPC Outstanding Collaboration Award		
	Intelligent service	2022 Jingxiaozi Machine Preferential Mode Best Operation Award - Intelligent Star Award for 618 Shopping Festival	JD's platforms	
	Customer service	2022 Customer Service Incentive Competition - Outstanding Star Award for 618 Shopping Festival		

Brand	Category of recognition	Name of award	Awarding institution	Figure of award
Pink Bear	Customer service	2022 Star Customer Service	Red Hare	
	Intelligent service	2022 Double Eleven Ranking Chart - Copper Bee Award	JD's platforms	
Little Ondine	Customer service	2022 Star Customer Service	Red Hare	

Responsible Marketing

Yatsen is committed to protecting the legitimate rights and interests of consumers, and strictly adheres to relevant laws and regulations of the locations in which we operate, including the *Law of the People's Republic of China on Protection of Consumer Rights and Interests*. We conduct marketing activities with a focus on accountability, transparency, and compliance, and fully embrace responsible marketing practices. To shape and maintain a positive brand image, we have implemented relevant policies for selecting, signing, and terminating spokespersons. In addition, we place great importance on consumer education and strive to popularize skincare and beauty knowledge to help consumers make informed decisions when selecting from our diverse range of products.



In 2022, the legal department launched a "Compliance Publicity" initiative on Feishu to promote compliance awareness.

As of the end of the Reporting Period, we shared compliance-related topics with the business team for **470** person-times.

Marketing Risk Warning

We strictly abide by the laws and industry regulations of the locations in which we operate, such as the *Advertising Law of the People's Republic of China*, the *Regulations on Supervision and Administration of Cosmetics*, and the *Evaluation Specifications for Cosmetics Efficacy Claims*, during the promotion of our products and services. To support this goal, we have developed policy documents such as the *Advertising Compliance Manual*. We prioritize accurately describing our products and services, prohibiting false or misleading advertising and ensuring the objective and fair presentation of our products.

Ensuring marketing compliance

To ensure the compliance of our advertising materials, we work closely with various departments to conduct internal reviews and ensure that all promotional activities comply with the relevant laws and regulations of the locations in which we operate, such as the *Anti-Unfair Competition Law of the People's Republic of China*. On World Consumer Rights Day (15th March) in 2022, the legal department collaborated with the R&D department, the product regulation department, the filing affairs department as well as our employees for the brand operation to conduct a self-inspection of advertising compliance for our core products. We also reviewed, provided feedback on, and made adjustments to the detail pages of e-commerce platforms to ensure that our advertising was truthful and accurate. Regarding product identification, we fully disclose cosmetic label information to ensure that the safety and efficacy claims of our products are legal and compliant in accordance with the relevant requirements of the *Cosmetics Labeling and Identification Management Specification* and the *Measures for Cosmetics Labeling Management* (Implemented from May 1, 2022). We also reviewed the use of trademarks, product claims, efficacy basis, and other aspects to prevent legal risks and ensure that our product descriptions are truthful and objective.

R&D review

Information and efficacy (efficacy support) about products and ingredients on advertising pages

Compliance review

Information about words, cosmetics labels, and efficacy records on advertising pages

Legal review

Words banned by the *Advertising Law of the People's Republic of China*

Public relations review

Political and public opinion risks

Internal Review Process of Yatsen

In order to deliver healthy and safe consumption experience, we display appropriate risk warnings based on the characteristics of the brands and products.

- *Galénic* displays instructions for the proper usage of its products on the highlighted area of the detail pages of e-commerce platforms. When an order is placed, the brand manual will be also delivered, which covers important information such as the brand and product profile, potential risk warnings, and instructions for proper usage.
- The product introduction page for the *EVE LOM Rescue Mask* includes instructions on the proper product use and a reminder to avoid applying the mask too close to the eye area.
- Certain special products, such as various cosmetic products of *DR.WU* and the colored contact lens products of *Perfect Diary*, are grouped into the Category Three within China's medical device products category. For these products, we are careful to strictly comply with the relevant regulations governing the marketing and sale of Category Three products in China.

Conducting marketing training

To better standardize our publicity behaviors, we engage external professional organizations to conduct training on relevant laws and regulations for our employees. In 2022, the public affairs department invited law enforcement personnel from the Market Supervision Bureau of Haizhu District, Guangzhou to conduct the "Compliance Training for New Retail Stores". The training was designed to familiarize our employees and sales personnel with the modes, types, and key inspection content of market regulators, helping to prevent the risk of administrative punishment for our stores.

The legal department of the Company organized the "Advertising Compliance Training" project for our community marketing personnel. By analyzing previous administrative punishment cases, we provided in-depth explanations of common advertising compliance risks, which helped to enhance employees' compliance awareness. Our new retail business department conducts compliant marketing training for our offline stores on World Consumer Rights Day and provides reminders of advertising copywriting and store operation precautions in daily communications, ensuring that our sales activities are legal and compliant.

Case study: Responsible marketing training

On August 17, 2022, the legal department invited the People's Procuratorate of Haizhu District, Guangzhou to conduct training titled "Preventing Business Risks and Optimizing Legal Business Environment". This training took place both offline at our Guangzhou headquarters and online for our new retail business department in Shanghai. The training featured interactive Q&A sessions between online and offline participants and aimed to guide employees in establishing a systematic concept of legal compliance. Approximately 100 employees from the financial department, the new retail business department, and the customer service experience department participated in the training.



Responsible Marketing Training

Popularization of Consumer Knowledge

As a responsible group in the beauty industry, Yatsen shoulders the responsibility to promote consumer knowledge on the safe use of cosmetics. We always put the needs of our customers first and maintain close communication with them to choose the most suitable products for their needs.

Answer with care

At Yatsen, our team is dedicated to helping consumers understand their real needs through detailed product introduction. When addressing inquiries, our customer service team places a high priority on comprehending our customers' skincare habits, makeup preferences, skin characteristics, and any skin-related problems. By analyzing each customer's unique needs and skin conditions, we can offer tailored solutions and recommend the most fitting products to satisfy their needs.

Popularization by experts

We have invited dermatology experts from Class A tertiary hospitals to launch a healthy skincare program that includes informative articles, videos, pictures, and texts. This program aims to popularize basic skincare knowledge and educate consumers on the best practices for healthy skin. We also invite skin experts to our new product release conferences to share their professional knowledge on skincare, introduce our self-developed ingredients and corresponding efficacy, and promote our brand as a professional provider of skincare solutions.

Professional services

We strive to provide our customers with professional, scientific, and precise services. To achieve this goal, we constantly provide targeted professional training to our customer service teams, covering essential areas such as makeup, color matching, and skincare. In addition, we actively encourage our employees to obtain professional skills certifications in these fields to enhance their expertise. Our commitment to professional services is reflected in our product offerings. For instance, our *EVE LOM Cleanser* features prominent instructions for use on its homepage, enabling customers to experience a refreshing and effective cleansing experience. Similarly, our *DR.WU* acid products come with detailed usage manuals, ensuring customers to use the products properly.



Case study: Popularization of the knowledge on safe use of cosmetics with the Food and Drug Administration of Guangdong Province

On March 21, 2023, Yatsen initiated a public welfare science popularization event called "Use Makeup Safely to Protect the Beauty of China" in Guangzhou. The event included a knowledge zone for the safe use of cosmetics, a legal awareness zone, a prize quiz game zone, and a safe product trial zone. Through various interactive activities and multi-dimensional approaches, we aimed to promote the knowledge of safe cosmetic use and raise safety awareness among consumers. The event also sought to promote the importance of cosmetic safety in society.



Public Welfare Science Popularization Event

A total of **27** personnel in the customer service team have obtained the certification of junior makeup artist, **19** employees have obtained the certification of intermediate makeup artist and **40** staffs have obtained the certification of skincare specialist.

Information Security and Privacy

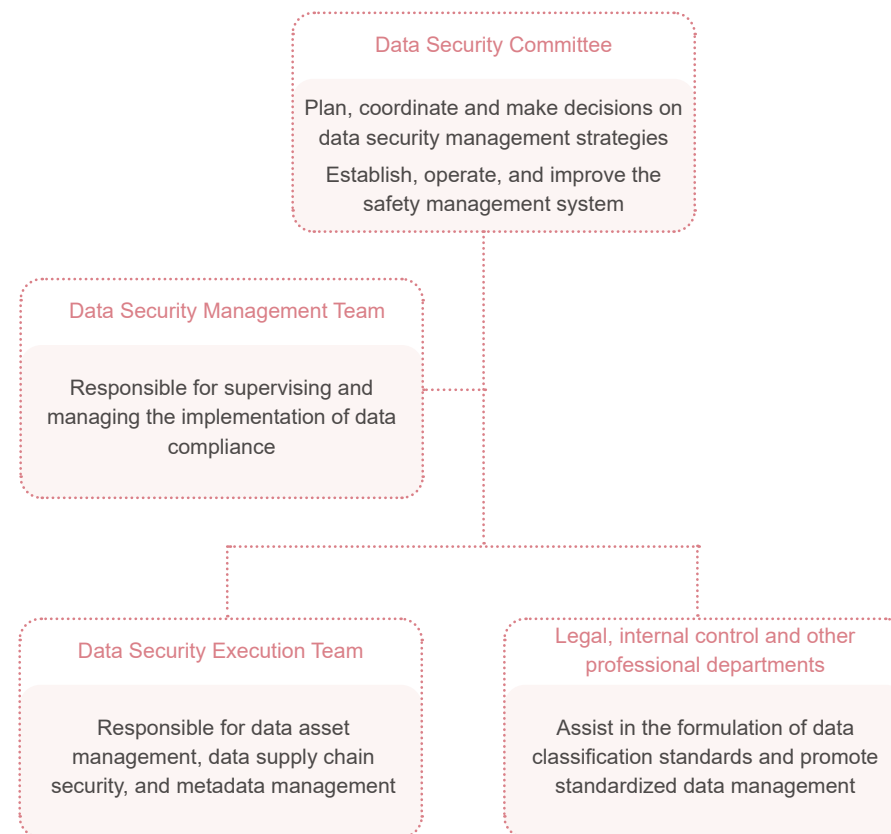
Yatsen highly values the security of data information and personal privacy protection. We are committed to preventing any unauthorized disclosure of user information. We comply with relevant laws and regulations, such as the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*. In addition, we have established management standards and codes of conduct, including the *Data Security Management System*, the *Data Classification Table* and the *System Account and Authority Security Management Standard*, to ensure strong data security capabilities backed by comprehensive management policies.

Organizational structure of information security management system

Yatsen has implemented a robust three-tier information security management structure, consisting of the Data Security Committee, the Data Security Management Team, and the Data Security Execution Team, to ensure the Company's information security. This top-down comprehensive approach reinforces data security and personal implementation, thereby effectively protecting consumers' privacy.

Construction of information security

Yatsen constantly improves security systems and information security technologies to effectively protect the information security of the Company and users. In 2022, we updated a series of internal documents, including the *Data Security Management System* and the *Administrative Measures for Information Security Incidents and Emergency Responses*, in accordance with relevant national laws and regulations. We reinforce the physical security, operational security and data security of our information system through internal assessment and external certification. Our goal is to build safe and compliant online e-commerce platforms.



Organization Structure of Information Security Management System

Emergency response mechanism

Yatsen has established an effective and scientific information security emergency response mechanism to standardize our data processing activities and protect the legitimate rights and interests of the Company. In 2022, we updated the mechanism for handling data security incidents and the emergency plan for personal information security incidents. We also further improved our capacity to handle information security emergencies and formed a more scientific, effective, and reactive emergency response mechanism.

Verify and confirm

The IT information security team and the business department work together to verify and confirm any data security incidents that occur and determine their level of severity, and record truthfully the content of the incidents.

Take measures

Further action will be taken to verify and assess the incident, including its cause, time, and scope. Based on the severity and impact of the incident, relevant departments will hold discussions and take emergency measures to prevent any further damage or loss. This may include temporarily blocking the source of the leak, repairing any vulnerabilities, and strengthening the security of the affected system.

Evaluate and record

A thorough evaluation will be conducted to determine whether the incident poses any harm to individuals or organizations. A data security incident report will be prepared in a timely manner, documenting the incident's details such as the security incident, risk status, relevant consequences, remedial measures, and any other pertinent aspects.

Notify

The notification of the data security incident report will be made to the relevant parties within three working days of the incident occurring. This notification can be made via telephone, SMS, instant messaging tool, email, or any other appropriate means. In cases where notification is not possible, a public announcement can be made.

Review

After reviewing the data security incident, the IT information security team will identify the root causes of the protection failure, propose solutions to address the identified problems, and coordinate resources for reinforcement and protection. In addition, the team will take actions to strengthen daily compliance review of data handling, investigation of information system security, and employee training on data protection awareness and skills.

Data Security Handling Mechanism

Internal security assessment

To maintain the effectiveness and compliance of the information systems, the Data Security Execution Team conducts annual data security assessments. These assessments include evaluations of key aspects such as the collection, storage, usage, and transmission of personal information within our systems. In 2022, the Company conducted an internal control assessment project, which focused on assessing the effectiveness of the design and implementation of internal control related to authority management and change management of our key information systems. Following the assessment, relevant departments were engaged to develop plans to rectify defects in internal control, and actively track the implementation of these measures.

External security certification

We engage security consulting agencies to conduct regular inspections and assessments of our information systems and network. This constitutes the basis of our ongoing efforts to track and enhance the security of our information systems and network. In 2022, our core system obtained the Grade III Protection of Information Security certification.

Information protection process

Yatsen highly values information protection and implements strict management for data of users and employees through user - and enterprise-end protection. We have established a comprehensive security and privacy protection mechanism and standardized our data security management through a range of measures.

User-end protection

We formulated user privacy protection policies on our Mini Programs and third-party shopping platforms, clarifying relevant provisions on personal information acquisition for personalized advertising and information sharing, in order to protect consumers' right to know.

In 2022, we updated our privacy protection policies for all stores on the WeChat Mini Program Mall, to better safeguard the rights and interests of consumers.

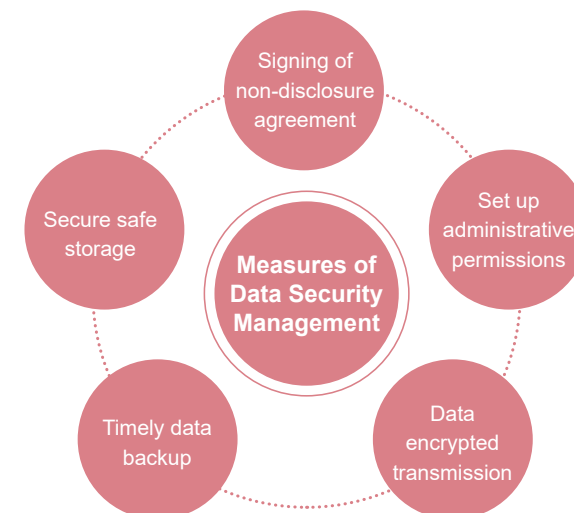
Enterprise-end protection

We set up information extraction procedures with multiple approvals required for employees' and customers' information and perform necessary desensitization on the exported data according to management level to reduce the risk of data leakage.

In 2022, we implemented additional upgrades to enhance user privacy on the WeChat Mini Program Mall. We conducted a thorough check of user privacy data item by item in the background, while also recording click behaviors to further minimize the risk of data leakage.

Information security education

We prioritize the cultivation of our employees' awareness regarding information security. As part of our onboarding process, all new employees are required to receive security awareness training and assessments. Besides, we regularly organize targeted training sessions on data compliance to effectively enhance the information security management capabilities of all employees. These training sessions include common workplace scenarios including phishing emails and password security.



Supply Chain Management

At Yatsen, we highly value effective supply chain management and continuously enhance our whole-process supplier management system. We have developed the *Supplier Management Regulations* to ensure a comprehensive management cycle that covers

the admission, evaluation, and elimination of suppliers. Furthermore, we regularly train and empower our suppliers to improve the quality of their supplies and collaborate with them to achieve mutual benefits and win-win development.

Screening and Appointing Suppliers

We have developed a strict onboarding process for our suppliers, established a supplier onboarding review system, and conducted background investigations on potential suppliers. To guarantee the quality and safety of our products, we require OEM/ODM suppliers to obtain third-party certifications, such as ISO 9001 and ISO 22716, in addition to the basic cosmetics production license.

In the process of supplier screening, we give extra points to suppliers that are socially responsible such as those with environmental management and quality management system certifications, as well as those with outstanding performance in environmental management. We sign the *Probity Cooperation Commitment* with suppliers, requiring them to abide by business ethics, intellectual property rights, information confidentiality and other regulations. We also cooperate with our upstream and downstream partners to jointly build a responsible supply chain.

⁴ Core suppliers refer to those suppliers which in aggregate accounted for 70% of the Company's total procurement spending in 2022.

⁵ The Company's supplier environmental assessment standards include ISO 14001, ISO 14064, ISO 50001 and other certifications.

⁶ The Company's supplier social assessment standards include ISO 9001, ISO 45001, SA 8000 and other certifications.



We maintained a total of **151** direct suppliers in 2022.



All **7** core suppliers⁴ passed our environmental impact assessment and social impact assessment.



53 suppliers passed our environmental impact assessment⁵.



65 suppliers passed our social impact assessment⁶.



In 2022, **66** suppliers underwent our onboarding process and annual audit.



For finished product suppliers, **6** underwent our onboarding process and **7** underwent the annual supplier audit, totalling **13**.



18 raw material suppliers underwent our onboarding process.



35 packaging materials, gift boxes, peripheral suppliers underwent our onboarding process.

Supplier Performance Evaluation

For existing suppliers, we continue to track their performance, as well as evaluate and monitor their behaviors. We have established a complete quality management system for our cosmetic suppliers, packaging material suppliers, and raw material suppliers. This system includes unannounced inspections and quality reviews.

We regularly conduct biannual assessments of our suppliers, with monthly or ad hoc assessments performed

for suppliers based on actual conditions. We also supervise the contractual performance of our suppliers and strengthen their management capabilities. We continue to improve our testing abilities and monitor the testing abilities of our suppliers. In 2022, we established a new plant quality management team tasked with managing suppliers' quality performance. We also developed new methods for testing raw materials and active ingredients and engaged our finished product suppliers to conduct third-party

comparisons and assessments of testing abilities.

For suppliers with continuous poor performance, we will temporarily suspend the cooperation and define a rectification period for optimization. For suppliers that still fail to pass the assessment after rectification, we will immediately terminate the cooperation to ensure the quality of supply.

In 2022, we developed **72** new testing methods for raw materials and active ingredients and engaged **13** finished product suppliers to conduct third-party comparisons and assessments.

We carried out **47** annual and unannounced inspections for suppliers in partnership, and the inspection pass rate was **100%**.

Supply Quality Improvement

We proactively strengthen exchanges and cooperation with suppliers and share industry knowledge and best practices with suppliers. We also organize supplier conferences and quality training for suppliers, covering topics such as supplier code of conduct, anti-corruption and business ethics, quality management, occupational health and safety, environmental management, and labor rights. Through publicity and training, we strengthen the abilities of all partners in the supply chain to perform their contracts and

undertake social responsibilities. In 2022, we promoted documents such as the *Regulations on the Management of Direct Suppliers* to our suppliers, thereby jointly building a sustainable supply chain. While issuing new regulations and processes, we organized training for the staff, including the consistent filing and use of raw materials.



In 2022, **42** educational sessions on product quality were carried out with suppliers.





Beautiful Environment

We uphold ecological and green development practices, as well as remain steadfast in protecting and practicing sustainable beauty. We place equal emphasis on creating economic value and environmental value, promoting low-carbon cycles, continuously improving green management, and realizing the conservation and efficient utilization of resources. We integrate environmental protection into the entire product life cycle, collaborate with stakeholders to protect the environment and the planet, and promote harmony between humankind and nature.

SDGs covered in this chapter



ESG issues covered in this chapter

Sustainable Supply Chain

Sustainable Packaging

Response to Climate Change

Emissions and Waste

Carbon Management

Water Resources Management

Addressing Climate Change

In support of the national “dual carbon” goals, Yatsen keeps a close eye on policy changes related to climate change. We identify climate change-related risks and opportunities, strive to improve our governance related to climate topics, and provide sustainable solutions to support low-carbon development across all sectors of society.

Yatsen has carried out climate change management work in four areas based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). These areas include governance, strategy, risk management, as well as metrics and targets. Through these efforts, the Company is proactively responding to the challenges posed by climate change.

Task Force on Climate-related Financial Disclosures (TCFD)

The Task Force on Climate-related Financial Disclosures (TCFD), created by the Financial Stability Board (FSB) at the request of the G20, is an organization focusing on the research on climate-related information disclosure and policies of financial institutions. It aims to provide a framework for companies to disclose climate-related data, facilitate investors, lenders, insurers, and other relevant parties to understand the risks involved, and improve the transparency of investment information. According to TCFD, climate risks can generally be divided into two main categories:

Physical risks

Risks associated with the physical impacts of climate change, which can be driven by events such as floods and typhoons (acute risks) or longer-term shifts in climate patterns, such as sustained higher temperatures and sea level rise (chronic risks).

Transition risks

Risks associated with the transition to a lower carbon economy, which may entail policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change.

Governance

Yatsen has established a three-tier ESG management structure which consists of the Board, the Planning and Coordinating Team and the ESG Working Group, to clarify the scope and process of its ESG efforts and promote the regular and ongoing management of its ESG efforts across the Company. The Board is responsible for monitoring and reviewing policies, initiatives, and performance targets related to sustainable development, including climate change. The public relations department, which serves as the ESG Planning and Coordinating Team, is responsible for planning and coordinating the ESG strategies and related efforts and reporting the implementation thereof to the CFO regularly. A cross-departmental ESG Working Group consists of a team of dedicated staff from various functional departments of the Company which has been established to assist in the implementation of sustainable development efforts, including climate change.



Strategies

Yatsen closely monitors the impacts of climate change on operations, identifies and analyzes climate change-related risks under different scenarios and proactively deploys measures for mitigation. In 2022, we conducted assessments of the severity and likelihood of climate change-related risks based on our existing management practices and launched various response initiatives to mitigate the impacts of climate change accordingly.

Climate change-related risks	Key risk categories	Highlights of potential climate change-related risks that are relevant to Yatsen	Response initiatives
 Transition risks	Policy and legal risks	The international community is increasingly aware of the risks posed by climate change, which drives climate change-related regulatory and disclosure requirements. Therefore, the Company has to meet additional compliance requirements to develop global business.	- Tracking domestic and international regulatory developments and interpreting the requirements of new regulations and policies for sale of products in different locations promptly; - Timely and compliant disclosure of sustainability reports in accordance with international disclosure standards.
	Market risks	Consumers are increasingly concerned about sustainable products and sustainable consumption. Therefore, we need to develop more eco-friendly products to meet the demands of consumers who seek to reduce plastic usage and prefer lightweight packaging.	- Gradually conducting carbon footprint assessments on our products to lay the foundation for developing lower-carbon products; - Collaborating with the upstream supply chain in using renewable energy in the production process, using low-carbon raw materials or packaging materials, and reducing the carbon footprint of our products.
 Physical risks	Extreme weather risks	Due to global warming, extreme weather events, such as extreme heat, extreme cold, rainstorms and floods, and typhoons, will increase, which may lead to supply chain disruption or suspension of operation of our stores, as well as increased operating costs and business risks.	- Developing emergency plans for extreme weather, developing appropriate preventive and response measures for different extreme weather impacts, conducting extreme weather drills and issuing timely warnings to ensure the safety of our employees and stores; - Conducting real-time monitoring of the supply chain and appropriately increasing quality suppliers to ensure the stability of supply chain under extreme weather.

The impact of climate change on the external environment not only poses new risks for the Company, but also presents new opportunities.

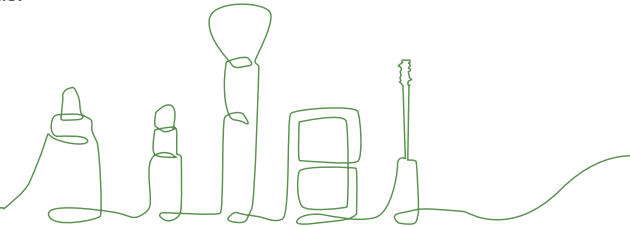
Opportunity categories	Highlights of climate change-related opportunities	Response initiatives
Market opportunities of green packaging	As China has implemented policies to promote sustainable packaging materials, the market demand for green packaging is expected to gradually increase.	Yatsen insists on green, lightweight packaging and constantly improving the packaging process for all products. As the market environment matures, we plan to gradually promote green packaging and advance the commercialization of recyclable packaging, so as to enhance our corporate reputation and increase market acceptance of our sustainable products.

Risk Management

Yatsen has established a sound risk management mechanism. In addition to daily risk reporting, we hold quarterly risk meetings to report the major risks identified to our CFO, the top risk supervisor, on a departmental basis and discuss the future directions of risk mitigation. In order to further reduce climate change-related risks, we have started to explore the incorporation of climate change-related matters into the risk management process, and gradually improve the climate change risk assessment and management mechanism.

Metrics and Targets

In the future, Yatsen will continue to enhance our climate-related governance, strategy, risk, and opportunity management mechanisms. We will gradually conduct a carbon footprint assessment of our products to understand the greenhouse gas emissions of the Company. In addition, we will proactively explore methods to reduce carbon emissions and greenhouse gas emissions in all stages of the product life cycle, including design, production, transportation, usage, and disposal. The Company will disclose environmental indicators related to climate change, such as energy consumption, greenhouse gas emissions, and intensity, in our annual ESG reports. We will not only promote our efforts in carbon reduction but also contribute to the realization of China's "dual carbon" goals.



Low-carbon Development

Yatsen emphasizes the harmony between business operations and environmental resources. We integrate the concepts of emission reduction and low-carbon development throughout the entire process of our business operations. We highly value the efficient management of energy and resources, as well as explore energy conservation and emission reduction in our operations, including procurement, packaging, transportation, and office. We also extend our environmental responsibility management to the upstream supply chain and give extra points to suppliers that are socially responsible, such as those who have obtained environmental and quality management system certifications.

Energy Management

Yatsen adheres to low-consumption and high-efficiency development. We strengthen energy management and reduce energy consumption through such means as enhancing energy control in office areas and stores and promoting the construction of a low-carbon supply chain.

Improving the efficiency of energy use

The Company strictly complies with relevant laws and regulations in the countries where we operate such as the *Law of the People's Republic of China on Conserving Energy*. We have integrated energy management as an essential component of our corporate operations. In addition, we utilize scientific management methods to implement strict control on energy use and continuously explore opportunities for energy conservation and carbon reduction.

Office energy consumption control

- Set office lights to the manual mode and reduce the duration of light use;
- Promptly turn off office lights and public appliances when unoccupied, arrange dedicated personnel to regularly inspect the switches;
- Promote paperless office and prioritize the use of recyclable paper;
- Prohibit the use of electric stoves, electric heaters, electric kettles, and other high-load appliances to minimize electricity loss.

Store energy consumption management

- Require store staff to turn off the lights when leaving, use energy-efficient LED spotlights for some lamps to reduce energy consumption;
- Promote online video meetings and reduce staff travel to reduce carbon emissions;
- Reduce the restocking frequency of some stores from weekly to fortnightly to minimize exhaust emissions during the pandemic;
- Replace the full truckload with consolidated shipping to reduce the frequency of vehicle usage;
- Gradually replace traditional fuel vehicles with new energy vehicles in terms of terminal delivery. During the Reporting Period, our carriers achieved 100% coverage of new energy vehicles for last-mile delivery;
- Replace conventional carriages with aluminum carriages and delay the aging of carriages to reduce resource consumption.

Developing a green supply chain

Green development would be an illusion without the concerted efforts of upstream and downstream industry players. We make environmental friendliness a requirement and an expectation for our suppliers, in addition to assessing product development ability, process and material quality, we also evaluate suppliers based on their energy consumption management practices. The Company encourages our suppliers to continuously enhance their energy management systems by setting energy use targets, tracking target implementation progress, improving energy use efficiency, and reducing energy consumption in their production processes. In 2022, we surveyed our suppliers to understand their energy use systems, efficiency planning, management practices, and certification, based on which we implemented effective methods and initiatives to reduce energy consumption and advance our low-carbon supply chain construction.

Supplier energy management initiatives

Construct rooftop photovoltaic (PV) power stations, adopt the PV power generation mode, replace a portion of traditional energy consumption with green energy, and improve the energy structure within plant areas;

Replace diesel forklifts with electric ones and reduce the consumption of fossil fuels;

Use environment-friendly refrigerants, improve the refrigeration systems, and reduce the energy consumption of equipment.



ISO 50001: 2018 Energy
Management System
Certification of Suppliers

Carbon Emission Management

The Company continuously explores carbon emission reduction modes, as well as promotes carbon emission management and environmental protection. We also encourage upstream enterprises to jointly facilitate management of carbon emission reduction, contributing to China's realization of carbon peak by 2030 and carbon neutrality by 2060.

Supply chain carbon management

We encourage our suppliers to proactively embrace the challenges and opportunities for carbon emission reduction and set feasible and ambitious carbon emission reduction targets. We also engage them in reducing the total carbon emissions of our supply chain, to achieve low-carbon sustainable development of the entire supply chain. Yatsen conducts surveys on the current state of supplier carbon management to gain an understanding of the carbon emission targets and management practices of

our upstream partners. As of the end of 2022, seven core suppliers had adopted carbon emissions management. To be specific, A&H International Cosmetics Co., Ltd. engaged a third-party agency to identify, calculate and evaluate the factory-wide activities and greenhouse gas emission sources, issuing a greenhouse gas emission report. Assessments showed that the greenhouse gas emission in 2021 was 108,408.67 tons of CO₂ equivalent.

Product carbon footprint

Against the backdrop of “dual carbon” goals, product life-cycle assessments and carbon footprint certifications have become important methods to measure green transformation of products and their impacts on climate change. Yatsen is concerned about the carbon emissions from our products. In 2021, we began to assess carbon emissions from our products during the production, manufacturing, transportation, use and waste of raw materials, and identify the emission reduction potential at each stage from “cradle to grave”. In this way, we optimize the production, transportation, and recycling processes, reduce the carbon footprint of our products, and minimize the negative impacts on the environment.

Case study: *Perfect Diary* products conducted carbon emission verification

● Opening a new chapter of carbon footprint verification for beauty products

In 2021, Yatsen selected the *Slim Heel Lipstick*, a core product of *Perfect Diary*, to commence carbon footprint assessments. We invited third-party institutions to conduct carbon emission verifications and obtained the product carbon footprint certificates. This marked the first step of our efforts to reduce product carbon emissions.



The carbon footprint of 1 *Perfect Diary Slim Heel Lipstick* (L02/L04) is 507g CO₂ equivalent.

● Expanding the scope of carbon footprint verification

In 2022, *Perfect Diary* made continuous efforts to expand the scope of product carbon footprint accounting and verification, and conducted carbon footprint accounting for two products, namely *PERFECT DIARY WEIGHTLESS VELVET LIP STAIN 299* and *PERFECT DIARY TRANSLUCENT BLURRING LOOSE POWDER* and obtained carbon footprint certificates. These endeavors have contributed more to the carbon footprint accounting of beauty products.



The carbon footprint of 1 *PERFECT DIARY WEIGHTLESS VELVET LIP STAIN 299* is 303g CO₂ equivalent.

The carbon footprint of 1 *PERFECT DIARY TRANSLUCENT BLURRING LOOSE POWDER* is 1,000g CO₂ equivalent.

About product carbon footprint verification

Our product carbon footprint verification is conducted in accordance with the requirements of ISO 14040: 2006 Environmental management - Life cycle assessment - Principles and framework, ISO 14044: 2006 Environmental management - Life cycle assessment - Requirements and guidelines, and ISO 14067: 2018 Greenhouse gases - Carbon footprint of products - Requirements and guidelines for quantification. It establishes the life cycle model of a product from raw material production to product disposal and adopts databases such as the European Reference Life Cycle Database (ELCD) and Ecoinvent, the full life cycle database widely used internationally, to calculate the full-life cycle carbon emissions of products.

Green Packaging and Recycling

Overpackaging and its impacts on the environment have gained increasing attention. To address this, the government and consumers alike are advocating for plastic reduction, lightweight packaging, and recyclable materials. To align with the principles of green development, Yatsen utilizes eco-friendly materials in our product packaging. By prioritizing simplicity, moderation, and sustainability in our packaging design, we are devoted to reducing pressure posed to natural environment.

Using eco-friendly paper to conserve forest resources

The Forest Stewardship Council (FSC) is an international, non-governmental organization dedicated to promoting responsible management of the world's forests. FSC promotes its certification worldwide, in an effort to reduce deforestation and protect the environment. The gift boxes of *Galénic* products in China and hard-copy instructions for *EVE LOM* brand products are made from eco-friendly paper certified by the FSC. It ensures that paper sources conform to environmental protection and promote social and economic sustainable development, thus contributing to the protection of ecological diversity. The paper box of *Abby's Choice Amino Gentle Minimalism Facial Cleanser* (*Oxygen Cleanser* for short) is also made from eco-friendly paper certified by the FSC and can be reused for storage by customers. In the future, we will remain committed to being a proactive advocate for sustainable forest management and aim to achieve full FSC certifications for our logistics cartons for all brands by the end of 2023.



Paper Certified by FSC for Reuse



Abby's Choice Amino Gentle Minimalism Facial Cleanser Certified by FSC



Simplifying packaging for lighter products

We are committed to exploring sustainable packaging solutions and improving our packaging processes. The Company also strives to incorporate the concept of green environmental protection into our packaging boxes, transport boxes and other containers to ensure that our products are lightweight and environmentally friendly. We have reduced the use of paper boxes and tapes in our transportation process, successfully making our products lighter and delivering greener packaging solutions. In 2022, Yatsen's brands, including *Perfect Diary*, *Pink Bear*, and *Little Ondine*, adjusted the weight and size of their product

cartons, switched from offset-printed cardboard boxes to watermarked ones, and adopted eco-friendly kraft paper materials, reducing paper consumption by 25%. Meanwhile, plastic films have been removed for all paper boxes, further reducing the use of plastic packaging materials. The *Galénic* VC gift box eliminates the use of paper-made instructions, envelopes, and labels, further reducing paper consumption. Our eco-friendly versions of the gift sets of 3-pack and 6-pack, featuring a compact size and saving paper by 67% and 32% respectively.

Sustainable packaging materials

We insist on improving the eco-friendly properties of our packaging materials and achieving green and sustainable product packaging. The capsule packaging of the *EVE LOM Cleansing Oil Capsules* and the capsule packaging of *Age Defying Smooth Treatment* are made from natural plant-based ingredients that are 100% biodegradable. The gift boxes of *Galénic* products in China are printed with eco-friendly soy ink and water paint for less pollution. Instead of using traditional plastics, we have opted for 100% biodegradable biobased plastics. Our gift boxes are designed to be eco-friendly with no laminating films used for outer packaging and no plastic components inside the box. The packaging for the *Galénic Couture Secret D'Excellence* series is made from medical-grade glass material that is 100% recyclable.

Double recycling efforts

We strive to promote the idea of a green lifestyle to our customers. Several of our brands have initiated product packaging recovery projects to encourage consumers to participate in recovery and recycling, thus using packaging materials more efficiently. *EVE LOM* participates in the packaging recovery and recycling program with its products and is licensed to use the Green Dot⁷ symbol. The *Galénic* VC gift box adds PAP⁸ logo. We have also suggested to install signage to encourage consumers to dispose of VC ampoules, aluminum foil bags and gift boxes in recyclable trash cans, in an effort to promote recycling among consumers.



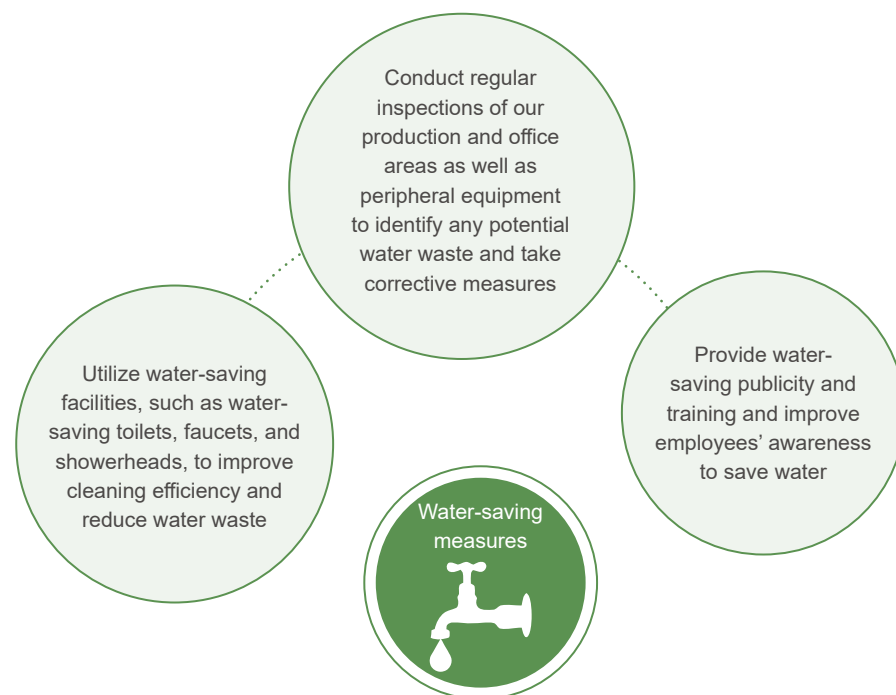
Optimized Package Size of *Perfect Diary* and *Pink Bear*

⁷ The Green Dot is a packaging recovery and recycling program boasting a Europe-wide network, and it is established by PRO Europe (Pro-E), a European packaging recycling organization. The Green Dot symbol on product packaging means that the packaging complies with the requirements of the European packaging directive, the manufacturer has paid the appropriate recycling fee for the packaging, and the product packaging is recovered by Pro-E through its own network.

⁸ Meaning materials made from recyclable and degradable cellulose fibers.

Water Management

The Company places great emphasis on water resource management and conservation, striving to become a water-saving enterprise. We encourage our suppliers to implement effective water management systems, establish water management plans and targets, and promote water recycling and reuse to reduce unnecessary resource consumption.



Emissions and Waste

Yatsen strictly adheres to all relevant laws and regulations on emissions and waste management in the locations where we operate, comprehensively reducing the environmental impact of our operations and minimizing all types of pollutant emissions. Meanwhile, we encourage our upstream partners to prioritize emission management for all types of pollutants and foster new advantages in green competition.

Emissions Management

We strictly comply with all relevant national and industry regulations on emission prevention and control. Furthermore, we require our suppliers to improve their environmental compliance awareness. We have formulated pollutant management systems such as the *Waste Gas Management Standards* and the *Wastewater Management Standards*. We put in place waste gas treatment facilities and wastewater treatment stations, so that we ensure emissions of waste gas and wastewater in compliance while reducing noise pollution and minimizing our overall impact on the surrounding environment.

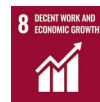
Waste Management

We are committed to minimizing waste and maximizing resource reuse through recycling and turning waste into resources. We encourage our suppliers to jointly improve management of production pollution. To manage waste effectively from source, we categorize it into three groups: household waste, general solid waste, and hazardous waste. We employ classified placement, centralized recovery, and dedicated management of waste, and engage qualified organizations to recycle and dispose of it. We also maintain an efficient waste management ledger system to ensure compliant treatment of all types of waste.



Employee Care

SDGs covered in this chapter



ESG issues covered in this chapter

Labor Management

Diversity, Inclusion, and Respect for Human Rights

Human Resource Development

Occupational Health and Safety

Fair and Compliant Employment

We adhere to the concept of “respect for employees above all”, strictly abiding by relevant laws and regulations of the places we operate such as the *Labor Law of the People’s Republic of China*, the *Labor Contract Law of the People’s Republic of China*, and the *Provisions on the Prohibition of Using Child Labor of the People’s Republic of China*. We make continuous efforts to optimize the labor management systems, in a bid to effectively protect the legitimate rights and interests of employees.

Equal Employment

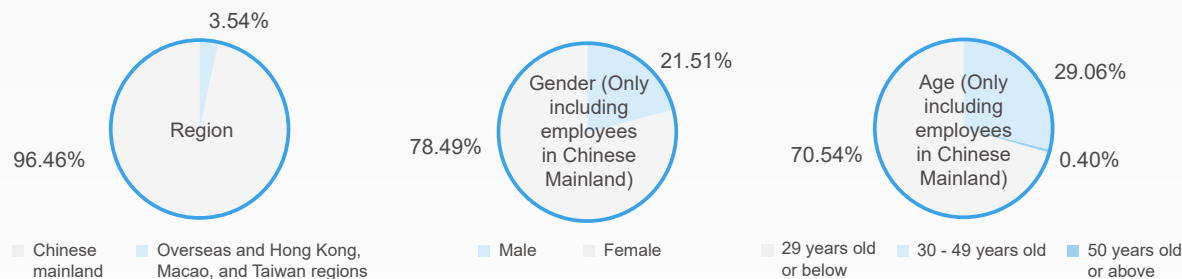
Yatsen has established a sound institutional framework and developed systems such as the *Guidelines for Recruitment and Employment Management*, the *On-boarding Management Guidelines*, the *Guidelines for Internal Transfer*, and the *Resignation Management Guidelines*, providing standardized guidance for the entire employment process, in a bid to protect the legitimate rights and interests of employees and establish good labor relations. In 2022, the Company developed a new system, the *Methods for Managing Interns*, as well as revising some existing systems, continuously improving the internal human resource management systems.

We value talent diversity and advocate for equal and harmonious recruitment culture and working atmosphere. We prohibit discrimination on the grounds of gender, age,

religion, nationality, and other factors during recruitment, onboarding, training, and work arrangements and strictly prohibit the use of child labor and forced labor, respecting and protecting the basic rights and interests of employees. In addition, we attach importance to providing job opportunities for vulnerable groups. In 2022, we hired 14 employees with disabilities through labor dispatching in collaboration with external platforms.

The total number of employees (including overseas employees) of Yatsen

1,837



Protection of Rights and Interests

At Yatsen, we prioritize our obligation to safeguard the rights and interests of our employees. We respect basic human rights and diverse backgrounds of employees, and adopt zero tolerance for forced labor, sexual harassment, discrimination, and other malpractices. We have formulated the *Employee Handbook*, which provides guidance on various aspects including recruitment, remuneration, benefits, promotion, leaves, and resignation to protect the rights and interests of employees. We firmly oppose forcing employees to perform unreasonable work arrangements or harming their legitimate rights and interests with such excuses as maintaining customer relationships and promoting business performance. To prevent unreasonable practices, we have put in place an email address for receiving grievances and regularly promote knowledge on workplace discrimination and sexual harassment to ensure that all employees are aware of relevant norms and regulations. In 2022, we established a labor union of employees to further safeguard their rights and interests.



The employment contract signing rate of all employees **100%**



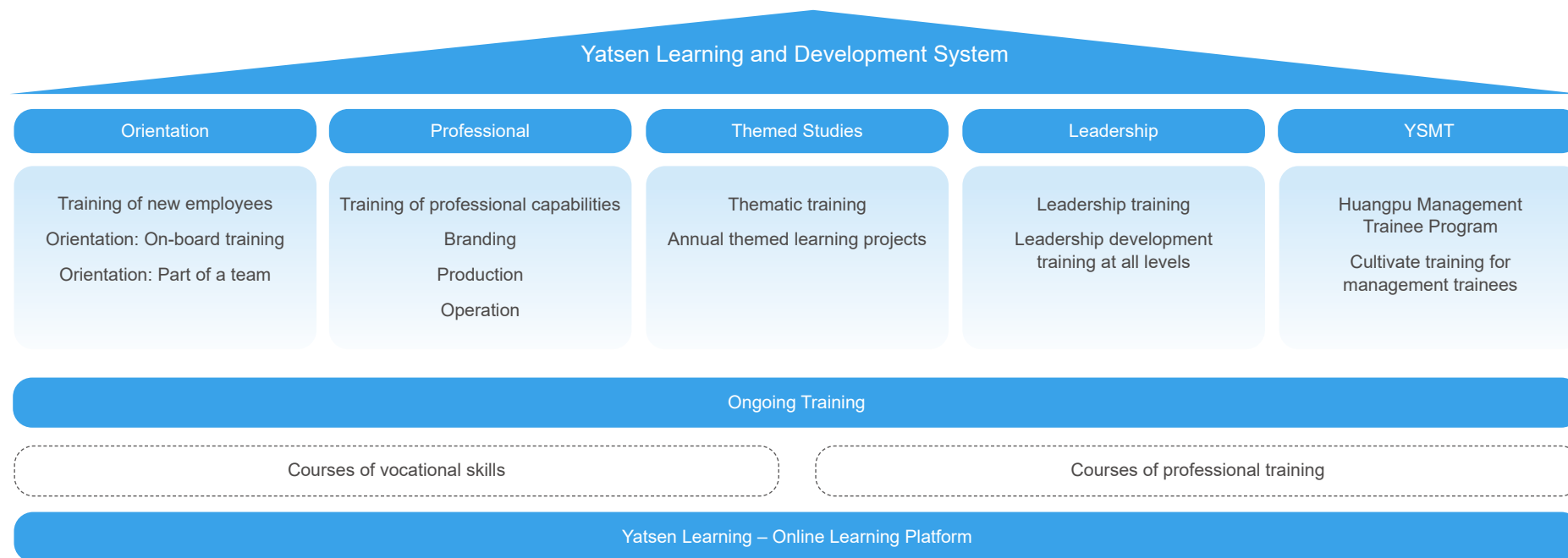
% of employees who participated in the Share Incentive Plan **15.5%**

Growth of Talent

Talent is the cornerstone of corporate development. We attach great importance to the training and development of employees, make continuous efforts to improve the personnel training system, and have set up multiple career development channels and equal promotion mechanisms for employees, to ensure the building of talent echelons.

Employment Training

We give priority to the cultivation of employees' skills and abilities. We establish and continuously improve the "Yatsen Learning and Development System" and make the training more specialized and refined to enhance the development of employees of all levels as well as expand the talent pool for future development.





A total of over
14,012 hours of
training among all employees



2,398 enrollments in
29 sessions of new employee
orientation



2,401 enrollments in
36 sessions of professional
training program



290 enrollments in 17
sessions of leadership training
program



227 enrollments in 16
sessions of YSMT program



1,280 enrollments in
27 sessions of ongoing training
program



Case study: Carrying out college-enterprise cooperation training
to reserve talented candidates in advance

During the Double Eleven shopping festival, the customer service department of Yatsen conducted a special project in cooperation with Guangzhou Huashang College. Yatsen sent employees to the college to provide short-term internship opportunities for students on campus, making it possible for them to have hands-on experience of working as a customer service representative during the Double Eleven shopping festival. In addition to improving students' skills and providing them with workplace experience, this initiative promoted our brand and allowed us to identify outstanding talented candidates for future recruitment.



Case study: Improving "Yatsen Learning and Development System"
to enhance employees' abilities

In 2022, we improved the "Yatsen Learning and Development System". Based on employees' feedback and the development needs of the Company, we focus on building professional training and leadership training programs as well as optimizing various training programs.

Increase the proportion of professional training

Increase the proportion of professional courses in the training system to 39.2% (compared to 16.4% in 2021) and identified more than 50 internal business trainers to accumulate excellent experience.

Focus on building leadership projects

Conduct more training sessions for core management and invite external organization building and leadership experts to give lectures to enhance the leadership of the core management team; each business unit develops courses based on their own business needs in collaboration with the human resources department to make the training courses more targeted.

Make project optimization a routine practice

Optimize project details based on issues discovered in daily operations, employee feedback and needs, and provide more comprehensive and practical project content for employees.

Promotion and Development

We provide equal career development opportunities for employees, develop open and transparent promotion mechanisms, and provide promotion channels for different types of employees to encourage them to grow rapidly.

Fair Promotion Mechanism

Regular Performance Reviews

We conduct monthly, quarterly, and annual employee performance appraisals, give feedback to employees, as well as guidance and support for their further improvement.

Comprehensive Promotion Assessments

We regularly conduct talent assessments to collect comprehensive evaluation results of employees, assessing their capabilities, potentials, values, and leadership, and getting to know their comprehensive strength and development potential, in a bid to provide rapid career development opportunities for competent and high-potential employees.

Multiple Development Paths

Full P0-P5 employee coverage

Frontline staff

Functional/business management

Senior management

Safeguarding Health and Safety

We strictly abide by the relevant regulations prevailing in the places of operation such as the *Work Safety Law of the People's Republic of China*, the *Fire Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and safeguard the health and safety of our employees. We have set up a safety management department and assigned internal safety supervision teams for the daily supervision and management of the Company's operational safety. According to the needs of different types of work, we provide employees with safe tools and equipment, and organize safety inspections and fire drills from time to time to provide employees with a safe and reliable working environment.

At Yatsen, we prioritize the well-being of our employees and strive to improve their physical and mental health. We care for the mental and physical health of employees. To achieve this, we provide access to a staff clinic run by external agencies that offer timely and professional medical services free of charge. Moreover, we have built a fitness center and rented sports facilities such as table tennis rooms, basketball courts, and soccer fields near our workplaces that are available to all employees. We regularly host sports days and team-building activities to encourage our employees to engage in physical activity. We also offer diverse mental health training sessions, covering topics such as emotion management, stress relief, and potential development. These sessions serve as a source of psychological energy for our employees, particularly during busy work periods like the Double Eleven shopping festival.



In 2022, we conducted
4 mental health
training sessions



totaling
7 hours



covering
143 trainees

Caring for Employees

Yatsen greatly values employee care. We provide employees with competitive remuneration and benefits, transparent and open communication channels, and a wide variety of employee activities to enhance their sense of belonging, happiness, and participation.

Remuneration and Benefits

We have established internal remuneration systems such as the *Remuneration Management Manual* and *Performance Appraisal Guidelines* to standardize the composition and management of employee remuneration and benefits. We have established a sound remuneration system, covering benefits such as basic salary, post allowance and year-end bonus. We regularly adjust salaries of employees based on industry benchmarks and promise equal pay for equal work, effectively ensuring that employees' salaries reflect the value of their work input and maintaining the competitiveness of the salary we provide in the market. For outstanding employees, we provide bonus incentives and give commendations to them based on their performance appraisal results. For key employees, the Company grants them share option incentives. We have a mix of short-term and long-term incentive programs to provide employees with a competitive salary while pooling excellent talent for the Company.

In addition to providing statutory benefits such as social insurance and holidays, we offer our employees diverse benefits such as birthday and holiday gifts, access to a staff canteen and shuttle bus, as well as staff internal sales to enhance their satisfaction.

Employee Engagement

At Yatsen, we believe that our employees' opinions and suggestions are valuable, and we actively seek employees' feedback through various channels such as Townhall Meetings, team building activities, labor union meetings, and the employee grievance systems.

Townhall Meetings

The Company's management provides employees with an interpretation of the Company's achievements in the previous stage, as well as its plans for the next stage. This allows employees to gain a deep understanding of the Company's development strategy, encourages them to get involved in the process, enhances their sense of participation, and promotes big-picture thinking among employees.



Yatsen provides funding to support team building and communication activities both between and within teams, enhancing communication and tacit understanding among employees, thereby improving work efficiency and teamwork.

Team building activities

Labor unions

We have established labor unions in accordance with the law as an important channel for employees to communicate and express their grievances, and employee representatives are selected to communicate with the management of the Company about employees' needs, effectively protecting the rights and interests of employees.



We have provided a dedicated email address for employees in case of violations of rules and regulations or other potential violations of employees' rights and interests, actively addressing employee complaints while protecting their privacy.

Employee grievance systems

Employee Activities

We organized a variety of employee activities, sincerely caring for the work experience of all our employees and appreciating their hard work and dedication.

To improve the happiness of our employees at the workplace, we offer a variety of benefits, such as gifts during their birthdays and important festivals, diverse work meals, afternoon snacks, and night snacks. We also organize cultural and recreational activities, such as staff carnivals, to enrich their lives. In addition, we prioritize the needs of our female staff by providing lactation rooms and a designated area for pregnant employees during office renovation. We also offer gifts on Women's Day to express our gratitude for their contributions.



Case study: The sixth-anniversary concert to celebrate the anniversary of Yatsen together with employees

In August 2022, we held a concert with the theme of “run towards the next journey together” to celebrate the sixth anniversary of the Company's establishment, share joy with our employees, and express gratitude for their dedication and companionship along the way. There were live performance of invited dance teams and bands, as well as talent show of our talented employees, through which all participants shared the inspiration and excitement of music. We also set up a signature wall, a brand sign-in area, and an area of interactive games at the event site. Customized gifts were provided for each employee to keep the romantic memories forever.



Pictures of the Sixth-anniversary Concert



Social Influence

Yatsen always adheres to “business for social good”, gives full play to our resource advantages and social influence, and actively contributes to society. We actively carry out social welfare activities focusing on women empowerment, natural ecology, caring for children, rural revitalization, among others. While creating beauty, we continue to spread beauty and shine the light of beauty into society.

SDGs covered in this chapter



ESG issues covered in this chapter

Social Welfare

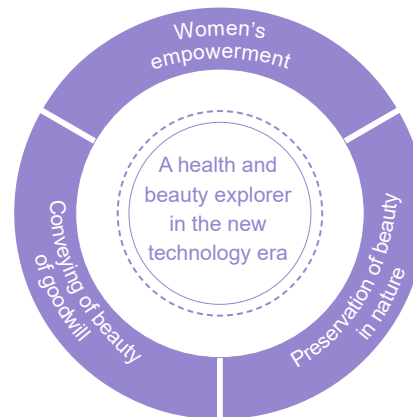
Bringing Beauty to More People

Beauty is the expression of love, a vivid show of personality, and an innate pursuit for human beings. Yatsen is committed to bringing beauty to more people by implementing responsible business practices and taking on the corporate mission and social responsibility to create more value for consumers and society. In our journey to discover beauty, we leverage our innovative and professional capabilities to discover, protect and create beauty, which we view as our public welfare vision. Our focus is on women's empowerment, preservation of beauty in nature, and conveying the beauty of goodwill. As a new, prominent, socially responsible group in the beauty industry, Yatsen is focused on unswervingly discovering, protecting, and creating beauty. We actively participate in public welfare undertakings, spread goodwill and warmth to society, fulfill more beauty expectations, and help people realize their yearning for a better life.



CSR Strategy of Yatsen

Use Innovation and Know-how to Discover, Protect, and Create Beauty



We set and continuously track key performance indicators for our public welfare projects in order to measure their social and environmental benefits. These indicators include the direct and indirect beneficiaries of the projects, communication exposure, social evaluation (such as government and media awards, public praise), and other factors. We use these indicators to guide our actions throughout the projects, and after completing them, we conduct periodic impact assessments and retrospection to optimize the design and implementation of future public welfare projects.

Contribute to SDGs of the United Nations



Women's Empowerment

Yatsen cares for women's well-being, takes caring for women as our founding goal, and builds a more inclusive and caring environment for women in response to national policies. Since its establishment in 2016, Yatsen has never stopped spreading love and public welfare. In the journey of creating and exploring beauty for users, Yatsen has spared no effort to promote public welfare undertakings for women and continues to be committed to helping women discover, protect, and create beauty with professional products and services, fully unleashing female power. We discover the beauty of women with goodwill and carry out a number of public welfare projects for women's empowerment, such as beauty makeup skills training, entrepreneurship and employment support, and aesthetic education for women to enable them master professional beauty skills, thus achieving self-development and rebuilding beauty and confidence.

With the goal of "helping women discover and create beauty", Yatsen and the China Women's Development Foundation jointly launched the beauty makeup training program "Create Better Life with Beauty Makeup", with a total investment of



RMB 2 million
over three years



Case study: Caring for women's breast health

2022 marked the 30th anniversary of the birth of the Pink Generation. *Galénic*, a brand of Yatsen, launched a new Pink Ribbon October limited-edition "*Aqua Infini Treatment Lotion*", calling on the public to care for women's breast health and conveying the importance of breast cancer prevention and examination. It also donated 10% of the limited-edition sales to Ruban Rose, an international association against breast cancer, to support research projects for helping women treat and cure breast cancer.

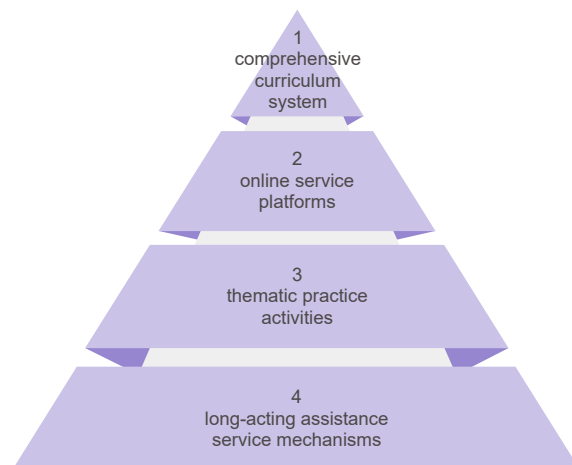


"Create Better Life with Beauty Makeup" Program:

The program admits females aged 18 to 48 from disadvantaged or needy families and helps local low-income and entrepreneurial females to master professional beauty makeup skills, and then they start their own business in the field of beauty, thus providing more job opportunities. During the training, tuition fees, room and board fees, makeup supplies fees and application fees for obtaining certificates are sponsored by Yatsen. The program has been carried out in Sichuan and Guangdong provinces, with a large number of trainees joining the beauty industry as makeup artists, trainers, and founders of makeup studios, to enable relatively disadvantaged female groups to improve their

skills through professional vocational training and promote the beauty industry to achieve full employment.

The "Create Better Life with Beauty Makeup" beauty makeup training program has established the "1234" public welfare training system for beauty. Together with the teachers at Sichuan Provincial School of Women Cadres, Guangdong Children and Women's Activity Center and professional beauty schools, we provided all-round training and guidance for the trainees through various measures such as beauty skills learning, quality improvement learning, visits and practices, industry exchanges, and tutoring assistance.



“1234” Public Welfare Training System for Beauty Makeup



The “Create Better Life with Beauty Makeup” beauty makeup training program achieved **100%** satisfaction rate of the trainees.



The “Create Better Life with Beauty Makeup” beauty makeup training program has empowered the development of women, with an entrepreneurship and employment rate of **88.5%** of the trainees in the first three sessions in Chengdu.



Case study: The third session of the “Create Better Life with Beauty Makeup” beauty makeup training program was successfully launched

On June 25, 2022, the third session of the “Create Better Life with Beauty Makeup” beauty makeup training program jointly sponsored by Yatsen and China Women's Development Foundation successfully closed in Chengdu, with 37 trainees from all over the world trained for 10 days on targeted professional skills in beauty. The training class specially offers training courses on livestreaming skills in five aspects, including the development process of livestreaming, IP building and public persona creation, the professional growth of a streamer, the self-expression of a streamer and the implementation of livestreaming, which combined beauty makeup with livestreaming to expand the skill fields involving trainees, improve their professional skills of entrepreneurship and employment, and show the value of women creating beauty.



Closing Ceremony of the Third Training Session



Case study: Beauty makeup training special for International Nurses Day (IND)

Yatsen has provided public welfare training courses on beauty makeup for female groups such as female medical workers and policewomen on numerous occasions, helping more than 150 women learn about beauty and become more confident in their work and life. On the eve of “520 Corporate Social Responsibility Day” in 2022, the “Create Better Life with Beauty Makeup” program, initiated by Yatsen, was introduced to Guangzhou First People's Hospital. Correct skincare steps and various makeup skills were shared and explained through a public welfare beauty makeup class, which aimed at paying tribute to the female medical workers for their selfless dedication in the “Fight against COVID-19” and celebrating the International Nurses Day (IND) with them in a fashionable and beautiful way.



IND Special Tribute to Female Medical Workers

Preservation of Beauty in Nature

Yatsen always regards environmental protection as the responsibility of the enterprise. We promote the green transformation of the Company and contribute to the realization of China's "dual carbon" goals and the Beautiful China initiative by incorporating the concept of environmental protection into product design, backed by technology R&D. Additionally, we organize a variety of environmental public welfare activities to promote consumers' environmental awareness and behavioral change. We strive to create an eco-friendly and healthy consumption life concept with consumers and advocate for a consumer lifestyle of harmony between humankind and nature.

Focus on Animal Protection

Yatsen is committed to animal protection. *Perfect Diary*, the flagship brand of Yatsen, was inspired by the red-crowned crane, one of China's endangered animals, and launched the *Red-Crowned Crane Eyeshadow Palette*. Funds from the product were donated to support a non-profit animal protection program aimed at calling on attention on endangered animals and wild life protection. Yatsen has organized various public welfare activities for stray cats and dogs to encourage more people to join in the protection of stray animals and treat animals with love.

Case study: Feeding Program for Stray Animals

Pink Bear joined hands with Luo Wangyu, to support the "Feeding Program for Stray Animals" initiated by Tajjijn. A total of 6,234kg of cat and dog food have been donated since its launch in February 2022, sending "survival rations" to stray animals in cities such as Wuhan, Chongqing, Changsha, Lanzhou, and Shaoxing. We have also called on people to pay more attention to stray animals, provide shelter to these vulnerable lives and pass on love and warmth together.



Preserve the Beauty of Nature

Yatsen always seeks new ways to bring the beauty of nature to life. We are constantly inspired by nature to create exceptional products that showcase the cultural heritage of makeup. By preserving and promoting the natural and cultural treasures, we fuse traditional culture with modern aesthetics to create a new Chinese beauty that reflects our appreciation and respect for China's natural culture. Through this, we aim to ignite consumers' love and understanding of the national natural scenery.

Case study: *Perfect Diary* × *Chinese National Geography*

Perfect Diary and *Chinese National Geography*, inspired by the wonderful scenery of China, combined the color scheme of natural landscape with the popular colors of makeup to present a four-theme eyeshadow palette with China aesthetic characteristics, including *Pink Rosy-clouds Plateau*, *Red Danxia*, *Blue Lake*, and *Rainbow Terrace*. The whole palette of eyeshadow contains 16 grids named after China's traditional colors and geographical features, and the texture of eyeshadow is engraved with landform texture to jointly show the unique beauty of China. On September 3, 2022, the co-branded limited-edition eyeshadow of *Perfect Diary* and *Chinese National Geography* won the interdisciplinary co-branded award in the national top 10 IP selection in 2021.



Co-branded Limited-edition
Eyeshadow of *Perfect Diary* and
Chinese National Geography

Conveying the Beauty of Goodwill

While creating, discovering, and protecting beauty, Yatsen never forgets to spread beauty and continuously expands the scope of its public welfare practices. Yatsen actively contributes to social welfare fields such as caring for children, rural revitalization, fighting against COVID-19, helping the disabled through public welfare, education, and scientific research. Yatsen embraces a sense of social responsibility, perseveres in giving back to society, and conveys the beauty of goodwill to more places.

Caring for Children

The healthy growth of children is related to the future of the country and the nation. Yatsen insists on guarding children's hopes and dreams, and cooperates with government departments, public welfare organizations and professional institutions to provide various forms of support and care for children in difficulty.



Case study: Caring for left-behind children in rural China

In April 2022, Yatsen, together with Hearts Private School Foundation, Warm Current Volunteers, and Longsheng Town Youth League Committee and County Committee, delivered 8,000 pencil cases to students in eight township schools to provide supplies for left-behind children in China who lacked stationary. With tangible actions, Yatsen honors its social responsibility to shine light on the future of children in China.



Delivering Pencil Cases to Township Schools



Case study: "House of Hope" donation activity

In November 2022, Yatsen, together with *Abby's Choice*, its skincare brand, launched a charity donation to the local public welfare organization "Guangzhou House of Hope Public Welfare Service Center", delivering urgently-needed living materials, products for the fighting against COVID-19 and toys and books to dozens of children with serious illness and their families in Guangzhou.



Charity Donation to House of Hope

Rural Revitalization

As a socially responsible beauty group, Yatsen actively responds to the national rural revitalization strategy and carries out various donation activities to help build beautiful countryside. In the future, we will continue the relay of love and warmth, actively integrating the internal resources of the group. Meanwhile, in combination with local communities, Yatsen joins hands with volunteers and employees to contribute to the rural revitalization.

On January 18, 2022, Yatsen donated RMB

100,000 to help charities in Haizhu

District in Guangzhou, Guangdong Province and rural revitalization in Guizhou Province.

Yatsen was awarded the "Contribution Award for Actively Participating in Honorable Event" by Haizhu District Association of Industry and Commerce.

Fight against COVID-19

During the COVID-19 pandemic, Yatsen fulfilled its social responsibilities by not only ensuring its own prevention and control measures but also cooperating with the government's efforts in fighting against the virus. We played an exemplary role, responded to the national call, donated funds and protective supplies, and provided manpower and suppliers for the frontline workers for the joint fight.



Case study: Accelerating the information construction of villages and towns

In September 2022, Yatsen donated a batch of computer hosts and displays as well as five projectors to the People's Government of Zhoutian Town, Renhua County, Shaoguan City, as part of efforts to accelerate the information construction of villages and towns. In December 2022, Yatsen donated 30 sets of computers to Niutouling Primary School in Sanpai Town, Liannan Yao Autonomous County, Qingyuan City, in response to the call of the Guangdong Provincial Education Foundation. Yatsen actively assisted the donated schools and continued to help the construction of donated computer rooms in mountain-area schools to contribute to Guangdong Province's rural revitalization.



Green Computer Rooms Donated



Case study: Providing support for the fight against COVID-19

In November 2022, Yatsen, as an enterprise headquartered in Guangzhou, actively responded to the call of Haizhu District Committee and District Government of Guangzhou and mobilized the employees of the Company to proactively help the fighting against COVID-19. Dozens of Yatsen volunteers went to the community to provide support, showcasing the responsibility of Yatsen employees with action rather than words. In addition, Yatsen donated RMB 300,000 to the Guangzhou Haizhu District Charity Association and 1,200 sets of protective clothing to Guangzhou Municipal Public Security Bureau Haizhu District Branch to support the fighting against COVID-19 in Haizhu District in Guangzhou, Guangdong Province.



Donated Supplies

Education and Research Development

Yatsen attaches great importance to national higher education and research development, which helps the healthy and rapid development of scientific research and talent training in colleges and universities. We have announced a donation of RMB 10 million over three years to the Education Development Foundation of Sun Yat-sen University and set up the "Sun Yat-sen University - Yatsen Research and Development Fund" in Guangzhou to support the work of the university in the fields of marine science.



Cooperation with Sun
Yat-sen University



Public Welfare Assistance to the Disabled

Yatsen's *Perfect Diary* adheres to the brand concept of "Unlimited Beauty" and pays extensive attention to the disabled. With the development of the Internet and digital economy, the emergence of many new forms of employment has provided more opportunities and possibilities for the disabled to pursue their dreams, serving as an important driving force to promote their career. Yatsen leverages its resources to carry out employment assistance activities for the disabled, promote their career, protect their rights and interests, and share rich flavor of life with them.



Case study: "Firefly" livestreaming for assisting the disabled

On the 31st International Day of Disabled Persons in December 2022, *Perfect Diary*, the flagship brand of Yatsen participated in the project of assisting the disabled held by the Firefly livestreaming platform and launched a livestreaming activity. This activity highly matches *Perfect Diary*'s brand concept of "Unlimited Beauty". Through the livestreaming, the anchors with disabilities can achieve a more decent employment with their efforts.



Livestreaming
Activity Poster

Appendix

Tables of Key ESG Performance

Environmental Performance				
Category	Indicator	Unit	2021	2022
Greenhouse gas emissions	Total greenhouse gas emissions	ton of carbon dioxide equivalent	2,963.38	7,717.91
	Note: Total greenhouse gas emissions saw increase in 2022 compared with 2021 due to the addition of <i>Perfect Diary</i> and <i>Abby's Choice</i> 's directly-operated offline stores in China into the scope of statistics of purchased electricity.			
	Greenhouse gas emission intensity	ton of carbon dioxide equivalent/RMB10,000 of revenue	0.0051	0.0208
	Scope 1 total greenhouse gas emissions ⁹	ton of carbon dioxide equivalent	21.36	183.87
	Note: The scope of statistics of the Scope 1 total greenhouse gas emissions saw improvements in 2022 compared with 2021 with the diesel consumption added.			
Use of energy	Scope 2 total greenhouse gas emissions ¹⁰	ton of carbon dioxide equivalent	2,942.02	7,534.04
	Total purchased electricity ¹¹	kWh	5,063,710	13,210,665
	Note: The scope of statistics of the purchased electricity saw improvements in 2022 compared with 2021 with the <i>Perfect Diary</i> and <i>Abby's Choice</i> ' directly-operated offline stores in China added.			
	Total gasoline consumption	ton	7.02	3.58
	Total diesel consumption	ton	/	55.00
Use of water resources	Total operational water consumption	ton	28,977.60	32,429.76
	Operational water consumption intensity	ton/RMB10,000 of revenue	0.0496	0.0875
Hazardous waste	Total hazardous waste ¹²	ton	1.03	0.31
Non-hazardous waste	Total non-hazardous waste ¹³	ton	43.91	13.47

⁹ Scope 1 total greenhouse gas emissions: Greenhouse gas emissions from the combustion of coal, oil, and other fossil energy as well as industrial production processes. Scope 1 greenhouse gas emissions are calculated with reference to the *Guidance on Greenhouse Gas Emission Accounting and Reporting – Public Building Operation Units (Enterprises) (Trial)* (《公共建筑运营单位（企业）温室气体排放核算方法和报告指南（试行）》) issued by the General Office of the National Development and Reform Commission and Reporting Guidance on Environmental KPIs.

¹⁰ Scope 2 total greenhouse gas emissions: Greenhouse gas emissions resulting from purchased electricity and heat. Scope 2 greenhouse gas emissions are calculated with reference to the *Guidance on Greenhouse Gas Emission Accounting and Reporting – Public Building Operation Units (Enterprises) (Trial)* (《公共建筑运营单位（企业）温室气体排放核算方法和报告指南（试行）》) issued by the General Office of the National Development and Reform Commission and Reporting Guidance on Environmental KPIs, among which the emission factors of electricity in Chinese mainland are referenced to the *Guidelines on Enterprise Greenhouse Gas Emissions Accounting and Reporting – Power Generation Facilities (2022 Revised Edition)* (《企业温室气体排放核算 发电设施（2022年修订版）》) issued by the Ministry of Ecology and Environment.

¹¹ When calculating greenhouse gas emissions in 2022, the electricity emission factor was adjusted from 0.5810 to 0.5703 in accordance with *Guidelines on Enterprise Greenhouse Gas Emissions Accounting and Reporting – Power Generation Facilities (2022 Revised Edition)* (《企业温室气体排放核算 发电设施（2022年修订版）》) issued by the Ministry of Ecology and Environment.

¹² Total hazardous waste: Including mercury-containing fluorescent tubes as well as waste toner cartridges and ink cartridges. The scope of statistics covers *Perfect Diary*'s directly-operated offline stores in China, *Abby's Choice*' directly-operated offline stores in China and *EVE LOM*'s directly-operated offline stores in China.

¹³ Total non-hazardous waste: Including office paper, thermal paper used in sales receipts, domestic waste, and kitchen waste. The scope of statistics covers staff offices, *Perfect Diary*'s directly-operated offline stores in China, *Abby's Choice*' directly-operated offline stores in China and *EVE LOM*'s directly-operated offline stores in China.

¹⁴ Packaging material used – Paper-based: The scope of statistics covers seven OEM/ODM factories, self-operated warehouses, *Perfect Diary*'s directly-operated offline stores in China, *Abby's Choice*' directly-operated offline stores in China and *EVE LOM*'s directly-operated offline stores in China.

Environmental Performance				
Category	Indicator	Unit	2021	2022
Use of packaging materials	Total packaging material used	ton	46,536.94	13,446.26
	Packaging material use intensity	ton/RMB10,000 of revenue	0.08	0.04
	Packaging material used – Paper-based ¹⁴	ton	18,085.80	10,657.50
	Note: The consumption of paper-based packaging materials saw decrease in 2022 compared with 2021 due to our efforts to reduce packaging materials for our products as well product reduction and lightweight solutions, in combination of order decrease.			
	Packaging material used – FSC certified paper based ¹⁵	ton	88.40	23.00
	Packaging material used – Plastic-based ¹⁶	ton	26,809.63	2,327.54
	Note: The consumption of plastic-based packaging materials saw decrease in 2022 compared with 2021 due to our efforts to replace biodegradable materials with plastics, in combination of order decrease.			
	Packaging material used – Metal-based	ton	768.80	263.42
	Packaging material used – Wood-based	ton	350.00	0
	Packaging material used – Glass-based	ton	95.97	46.30
	Packaging material used – PU Leather-based	ton	336.35	127.00
	Packaging material used – Cloth-based ¹⁷	ton	2.00	1.50

¹⁵ Packaging material used (except paper-based and plastic-based): The scope of statistics covers seven OEM/ODM factories.

¹⁶ Packaging material used – Plastic-based: The scope of statistics covers seven OEM/ODM factories, and self-operated warehouses.

¹⁷ Packaging material used – Cloth-based: The scope of covers six OEM/ODM factories.

¹⁸ Employee composition: the statistical caliber for gender composition and age group is the number of our employees in China.

¹⁹ Core suppliers: suppliers which in aggregate accounted for 70% of the Company's total procurement spending in 2022.

Social Performance				
Category	Indicator	Unit	2021	2022
R&D ¹⁸	R&D investment	RMB million	About 140	About 127
	Total number of intellectual property rights acquired domestically and abroad	/	2,936	4,052
Employee composition	Total number of employees (Including the overseas employees)	person	3,497	1,837
	Number of employees in China	person	3,444	1,772
	Number of male employees in China	person	737	381
	Number of female employees in China	person	2,707	1,391
	Number of employees aged 29 or below in China	person	2,711	1,250
	Number of employees aged between 30 and 49 in China	person	728	515
	Number of employees aged 50 or above in China	person	5	7
Employees' rights and interests	Employment contract signing rate	%	100	100
	Percentage of employees who participated in the Share Incentive Plan	%	11.9	15.5
Employee training	Total hours of training received by employees	hour	33,068	14,012
	Total hours of training received by male employees	hour	6,614	2,802
	Total hours of training received by female employees	hour	26,454	11,210
	Total hours of training received by management staff	hour	28,944	1,618
	Total hours of training received by general staff	hour	4,124	12,394
	Percentage of full-time employees receiving training on business ethics	%	100	100
Occupational health and safety	Total number of days lost due to work-related injury	day	125	84
	Number of work-related fatalities	person	0	0
Supplier composition	Number of direct suppliers in China	/	141	151
	Number of core suppliers in China ¹⁹	/	7	7
Public welfare investment	Total amount of charitable donations	RMB10,000	340	474

GRI Indicator Index

Statement of use	Yatsen Holding Limited has reported the information cited in this GRI content index for the period January 1 to December 31, 2022, with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	About Us
	2-3 Reporting period, frequency and contact point	About This Report
	2-6 Activities, value chain and other business relationships	About Us Premium Products
	2-7 Employees	Employee Care Appendix-Tables of Key ESG Performance
	2-9 Governance structure and composition	Sound Governance
	2-10 Nomination and selection of the highest governance body	Sound Governance
	2-25 Processes to remediate negative impacts	Sound Governance Premium Products Employee Care
	2-26 Mechanisms for seeking advice and raising concerns	Sound Governance
	2-29 Approach to stakeholder engagement	Sound Governance

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sound Governance
	3-2 List of material topics	Sound Governance
	3-3 Management of material topics	Sound Governance Premium Products Beautiful Environment Employee Care Social Influence
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Our Highlights in 2022
	201-2 Financial implications and other risks and opportunities due to climate change	Beautiful Environment
	201-3 Defined benefit plan obligations and other retirement plans	Employee Care
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Social Influence
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Appendix-Tables of Key ESG Performance

GRI STANDARD	DISCLOSURE	LOCATION
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Sound Governance
	205-2 Communication and training about anti-corruption policies and procedures	Sound Governance
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Beautiful Environment
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Beautiful Environment Appendix-Tables of Key ESG Performance
	302-3 Energy intensity	Appendix-Tables of Key ESG Performance
GRI 303: Water and Effluents 2018	303-5 Water consumption	Appendix-Tables of Key ESG Performance
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Appendix-Tables of Key ESG Performance
	305-2 Energy indirect (Scope 2) GHG emissions	Appendix-Tables of Key ESG Performance
	305-4 GHG emissions intensity	Appendix-Tables of Key ESG Performance
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Beautiful Environment
	306-2 Management of significant waste-related impacts	Beautiful Environment
	306-3 Waste generated	Appendix-Tables of Key ESG Performance

GRI STANDARD	DISCLOSURE	LOCATION
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	Premium Products
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Care
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Employee Care
	403-5 Worker training on occupational health and safety	Employee Care
	403-6 Promotion of worker health	Employee Care
	403-9 Work-related injuries	Appendix-Tables of Key ESG Performance
	403-10 Work-related health	Appendix-Tables of Key ESG Performance
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee Care
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employee Care Appendix-Tables of Key ESG Performance
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social Influence
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Premium Products

Product Composition Table (Partial)

List of *Perfect Diary Soft Essence Makeup Face Cream* Composition

Product name	Component
<i>PERFECT DIARY</i> SOFT ESSENCE MAKEUP FACE CREAM	["WATER", "SQUALANE", "ISODODECANE", "BUTANEDIOL", "SILICA", "CETEARYL ALCOHOL", "1,2-PENTANEDIOL", "1,3-PROPANEDIOL", "VINYL POLYDIMETHYLSILOXANE/POLYMETHYLSILOXANE SESQUISILOXANE CROSSLINKED POLYMER", "GLYCERINUM", "CAPRYLIC ACID/CAPRIC ACID GLYCERIDE OILTRIESTER", "HDI/TRIMETHYLHEXYL LACTONE CROSSLINKED POLYMER", "TRIGUAIACYL PHOSPHATE (CETEARYL ALCOHOL POLYETHER 4)", "GLYCOL STEARATE", "1,2-HEXANEDIOL", "GLYCEROL STEARATE", "PEG-100 STEARATE", "PEG-2 STEARATE", "PANTHENOL", "ACRYLIC ACID (ESTER)/C10-30 ALKOXYL ACRYLATE CROSS-LINKED POLYMER", "POLYDIMETHYLSILOXANE/VINYL POLYDIMETHYLSILOXANE CROSSLINKED POLYMER", "TROMETHAMINE", "P-HYDROXYACETOPHENONE", "BIS DIGLYCEROL OILPOLYACYLADIPATE-2", "BUTYROSPERMUM PARKII FRUIT FAT", "GLYCERINUM OCTANOATE", "VITIS VINIFERA POMELO (CITRUS PARADISI) PEEL OIL", "DISODIUM STEAROYL GLUTAMATE", "ETHYLHEXYLGLYCERIN", "MYROTHAMNUS FLABELLIFOLIA LEAF/STEM EXTRACT", "VITIS VINIFERA FLOWER CELL EXTRACT", "ECLIPTA PROSTRATA EXTRACT", "MELIA AZADIRACHTA LEAF EXTRACT", "MELIA AZADIRACHTA FLOWER EXTRACT", "OCIMUM SANCTUM LEAF EXTRACT", "CURCUMA LONGA ROOT EXTRACT", "CORALLINA OFFICINALIS EXTRACT", "MORINGA OLEIFERA SEED OIL", "TOCOPHEROL (VITAMIN E)", "DISODIUM HYDROGEN PHOSPHATE", "SODIUM DIHYDROGEN PHOSPHATE", "CAPRYLYL GLYCOL", "ACETYL HEXAPEPTIDE - 8"]

List of *EVE LOM* Product Composition

Product name	Component
<i>EVE LOM</i> CLASSIC CLEANSING CREAM	["WATER", "GLYCERINUM POLYETHER-26", "GLYCERINUM", "XYLITOL GLUCOSIDE", "POLYSORBATE - 20", "POLYACRYLATE CROSSLINKED POLYMER - 6", "PHENOXYETHANOL", "DEHYDRATED XYLITOL", "CAESALPINIA SPINOSA FRUIT EXTRACT", "SODIUM CITRATE", "1,2-PENTANEDIOL", "LECITHIN", "CITRIC ACID", "PANICUM MILIACEUM SEED EXTRACT", "NEWTOL", "HYDROLYSIS HYALURONIC ACID", "KAPPAPHYCUS ALVAREZII EXTRACT", "RETINOL", "ETHYL ALCOHOL", "LACTIC ACID", "LACTOBACILLUS FERMENT", "AVENA SATIVASEED EXTRACT", "CAPRYLYL GLYCOL", "DECAMETHYLENE GLYCOL", "SODIUM BENZOATE", "MONO POTASSIUM PHOSPHATE", "TANNIC ACID", "CHLOROGENIC ACID", "BIOFLAVONOID", "GLUCOSE", "ROSA DAMASCENA FLOWER OIL", "POTASSIUM SORBATE", "BUTYLATED HYDROXYTOLUENE", "GARDENIA FLORIDA EXTRACT", "MALTODEXTRIN", "BUTYLATED HYDROXYANISOLE", "TOCOPHEROL (VITAMIN E)", "ASCORBIC ACID PALMITATE"]
<i>EVE LOM</i> LIGHTWEIGHT CLEANSING CREAM	["BUTYROSPERMUM PARKII FRUIT FAT", "BIS-DIGLYCEROL POLYACYL ADIPATE-2-2", "ISOPROPYL PALMITATE", "VITIS VINIFERA SEED OIL", "ISOPROPYL ISOSTEARATE", "HYDROGENATED PLANT OIL", "WATER", "COCONUT OIL GLUCOSIDE", "GLYCEROL OIL ESTER", "CETEARYL ALCOHOL POLYETHER-20", "C12-13 ALKANOL POLYETHER-3", "LECITHIN", "SILICA", "GLYCERINUM", "ARGANIA SPINOSA SEED OIL", "POLYGLYCEROL OIL-4 DECANOATE", "CITRIC ACID", "POLYGLYCEROL 2-DIMETHYLHYDROXYSTEARATE", "PHENOXYETHANOL", "BUTYROSPERMUM PARKII FRUIT FAT EXTRACT", "GLYCEROL TURPENTATE", "EUGENIA CARYOPHYLLUS LEAF OIL", "EUCALYPTUS GLOBULUS LEAF OIL", "CHAMOMILLA RECUTITA FLOWER OIL", "HUMULUS LUPULUS BALL FRUIT OIL", "MALTODEXTRIN", "WASTE MALT MEAL WAX", "OLEA EUROPAEA OIL UNSAPONIFIABLE SUBSTANCE", "TOCOPHEROL (VITAMIN E)", "HYDROGENATED PALM OIL ESTER CITRUS LIMON ESTER", "LIPASE", "PROTEASE"]

Product name	Component
EVE LOM RADIANT CLEANSING OIL CAPSULES	["CAPRYLIC ACID/DECANOIC ACID GLYCERIDE OIL TRIESTER", "VITIS VINIFERA SEED OIL", "ISOPROPYL ISOSTEARATE", "TRIISOSTEARIN", "ISOPROPYL MYRISTATE", "LAURYL ALCOHOL POLYETHER 7 CITRUS LIMON ESTER", "CRAMBE ABYSSINICA SEED OIL", "CAMELINA SATIVA SEED OIL", "C12-13 ALKANOL POLYETHER-3", "POLYGLYCERIDE OIL 4 OIL ESTER", "EUGENIA CARYOPHYLLUS LEAF OIL", "EUCALYPTUS GLOBULUS LEAF OIL", "HUMULUS LUPULUS BALL FRUIT OIL", "CHAMOMILLA RECUTITA FLOWER OIL", "MAGNOLIA OFFICINALIS BARK EXTRACT", "TOCOPHEROL (VITAMIN E)"]
EVE LOM MOISTURIZING AND RADIANT FACIAL CLEANSING CREAM	["WATER", "COCONUT OIL HYDROXYETHANESULFONATE SODIUM", "COCONUT OIL BETAINE", "ORBIGNYA OLEIFERA SEED OIL", "GLYCERINUM", "ERYTHRITOL", "LAURYL SULFOSUCCINATE DISODIUM", "CETEARYL ALCOHOL", "HYDROXYPROPYL STARCH PHOSPHATE", "ALUMINIUM SILICATE", "LACTOBACILLUS/ZUCCHINI FERMENTATION PRODUCT EXTRACT", "METHYL COCONUT OIL TAURINE SODIUM", "PHENOXYETHANOL", "XYLITOL GLUCOSIDE", "DEHYDRATED XYLITOL", "PCA", "NEWTOL", "ALLANTOIN", "LACTIC ACID", "ETHYLHEXYLGLYCERIN", "LAVANDULA ANGUSTIFOLIA OIL", "WHEAT AMINO ACIDS", "HYALURONIC ACID", "LACTOBACILLUS TUNNING", "TETRASODIUM GLUTAMATE DIACETATE", "PANTHENOL", "CITRUS LIMON PEEL OIL", "CORIANDRUM SATIVUM SEED OIL", "MENTHA PIPERITA OIL", "CYMBOPOGON NARDUS OIL", "CITRUS AURANTIUM AMARA PEEL OIL", "MENTHA PIPERITA LEAF EXTRACT", "PELARGONIUM GRAVEOLENS FLOWER OIL", "HYDROXYPROLINE", "POGOSTEMON CABLIN OIL", "LITSEA CUBEBA FRUIT OIL", "BOSWELLIA CARTERII OIL", "ANTHEMIS NOBILIS FLOWER OIL", "CITRIC ACID"]
EVE LOM BRAND NEW MOISTURIZING GEL FILM	["WATER", "POLYDIMETHYLSILOXANE", "GLYCERINUM", "ISONONYL ISONONANOATE", "POLYDIMETHYLSILOXANE/POLYDIMETHYLSILOXANE/VINYL POLYDIMETHYLSILOXANE CROSSLINKED POLYMER", "POLYACRYLATE CROSSLINKED POLYMER - 6", "HYDROXYETHYL ACRYLATE/SODIUM ACRYLOYLDIMETHYLAURINE COPOLYMER", "PHENOXYETHANOL", "TRIACETIN", "PCA SODIUM", "1,3-PROPANEDIOL", "UREA", "CHONDRUS CRISPUS EXTRACT", "ETHYLHEXYLGLYCERIN", "POLYSORBATE - 60", "SORBITAN ISOSTEARATE", "TREHALOSE", "LECITHIN", "AVENA SATIVA SEED EXTRACT", "RAPHANUS SATIVUS ROOT FERMENTATION PRODUCT FILTRATE", "SODIUM HYALURONATE", "POLYQUATERNARY AMMONIUM SALT-51", "1,2-HEXANEDIOL", "GLUCOLACTONE", "HYDROXYPROPYL DIPALMITOMIDE MEA", "SODIUM BENZOATE", "POTASSIUM SORBATE", "CITRIC ACID"]
EVE LOM NEW SKIN SOFTENING & MOISTURIZING CREAM	["WATER", "HYDROGENATED POLYDECENE", "WHITE BEESWAX", "MICROCRYSTALLINE WAX", "SORBITAN SESQUIOLEATE", "CAPRYL OLEATE", "ISOSTEARIC ACID NEOVALERATE", "PHENOXYETHANOL", "ISOPROPYL MYRISTATE", "GLYCERINUM", "ACRYLIC ACID (ESTER) COPOLYMER SODIUM", "MAGNESIUM SULFATE", "METHYL GLUCOSE SESQUISTEARATE", "CAPRYLIC ACID/DECANOIC ACID GLYCERIDE OIL TRIESTER", "ALUMINUM STEARATE", "BRASSICA CAMPESTRIS SEED OIL", "ROSA DAMASCENA FLOWER OIL", "ETHYLHEXYLGLYCERIN", "TOCOPHEROL (VITAMIN E)", "CALENDULA OFFICINALIS FLOWER EXTRACT", "ARNICA MONTANA FLOWER EXTRACT", "SODIUM PHYTATE", "EUPHRASIA OFFICINALIS EXTRACT", "HYDROGENATED PALM OIL ESTER CITRUS LIMON ESTER", "ETHYL ALCOHOL"]
EVE LOM MOISTURIZING FACE CREAM	["WATER", "CAPRYLIC ACID/DECANOIC ACID GLYCERIDE OIL TRIESTER", "1,3-PROPANEDIOL", "C12-15 ALCOHOL BENZOATE", "GLYCERINUM", "C12-16 ALCOHOL", "POLYDIMETHYLSILOXANE", "ACRYLIC ACID (ESTER) CROSSLINKED POLYMER SODIUM 2", "GLYCERINUM STEARATE SE", "XYLITOL GLUCOSIDE", "BETAINE", "PHENOXYETHANOL", "PALMITIC ACID", "DEHYDRATED XYLITOL", "HYDROGENATED LECITHIN", "CRAMBE ABYSSINICA SEED OIL", "HELIANTHUS ANNUUS SEED OIL", "PRUNUS PERSICA FLOWER EXTRACT", "POLYACRYLATE CROSSLINKED POLYMER - 6", "MARRUBIUM VULGARE EXTRACT", "ACETYLATED SODIUM HYALURONATE", "ETHYLHEXYLGLYCERIN", "TOCOPHEROL ACETATE", "CITRIC ACID", "EDTA DISODIUM", "ROSMARINUS OFFICINALIS LEAF EXTRACT", "LAVANDULA ANGUSTIFOLIA OIL", "SODIUM BENZOATE", "GLYCINE SOJA OIL", "CORIANDRUM SATIVUM SEED OIL", "CITRUS LIMON PEEL OIL", "CYMBOPOGON NARDUS OIL", "MENTHA PIPERITA OIL", "CITRUS AURANTIUM AMARA PEEL OIL", "LITSEA CUBEBA FRUIT OIL", "MENTHA PIPERITA LEAF EXTRACT", "POGOSTEMON CABLIN OIL", "PELARGONIUM GRAVEOLENS FLOWER OIL", "ANTHEMIS NOBILIS FLOWER OIL", "BOSWELLIA CARTERII OIL"]

Product name	Component
EVE LOM MOISTURIZING LOTION	[“WATER”, “CAPRYLIC ACID/DECANOIC ACID GLYCERIDE OIL TRIESTER”, “GLYCERINUM”, “1,3-PROPANEDIOL”, “C12-15 ALCOHOL BENZOATE”, “C12-16 ALCOHOL”, “POLYDIMETHYLSILOXANE”, “ACRYLIC ACID (ESTER) CROSSLINKED POLYMER SODIUM 2”, “XYLITOL GLUCOSIDE”, “BETAINE”, “PHENOXYETHANOL”, “DEHYDRATED XYLITOL”, “PALMITIC ACID”, “HYDROGENATED LECITHIN”, “PRUNUS PERSICA FLOWER EXTRACT”, “MARRUBIUM VULGARE EXTRACT”, “NEWTOL”, “POLYACRYLATE CROSSLINKED POLYMER - 6”, “ACETYLATED SODIUM HYALURONATE”, “EPILOBIUM FLEISCHERI EXTRACT”, “ETHYLHEXYLGLYCERIN”, “TOCOPHEROL ACETATE”, “CITRIC ACID”, “EDTA DISODIUM”, “LAVANDULA ANGUSTIFOLIA OIL”, “SODIUM BENZOATE”, “GLYCINE SOJA OIL”, “CITRUS LIMON PEEL OIL”, “CORIANDRUM SATIVUM SEED OIL”, “DENATURATED ETHANOL”, “TERMINALIA FERDINANDIANA FRUIT EXTRACT”, “MENTHA PIPERITA OIL”, “CYMBOPOGON NARDUS OIL”, “POTASSIUM SORBATE”, “CITRUS AURANTIUM AMARA PEEL OIL”, “MENTHA PIPERITA LEAF EXTRACT”, “PELARGONIUM GRAVEOLENS FLOWER OIL”, “POGOSTEMON CABLIN OIL”, “LITSEA CUBEBA FRUIT OIL”, “BOSWELLIA CARTERII OIL”, “ANTHEMIS NOBILIS FLOWER OIL”]
EVE LOM BRAND NEW COAGULATION TIME BRIGHTENING NIGHT CREAM	[“WATER”, “1,3-PROPANEDIOL”, “ISOAMYL LAURIC ACID”, “ISONONYL ISONONANOATE”, “BUTYROSPERMUM PARKII FRUIT FAT”, “GLYCERINUM”, “CETEARYL ALCOHOL”, “GLYCERINUM BEHENATE”, “BETAINE”, “TRIMETHYL PENTANEDIOL/ADIPIC ACID COPOLYMER”, “POLYDIMETHYLSILOXANE”, “PHYTOSTEROL/OCTYL DODECANOL LAUROYL GLUTAMATE”, “PHENOXYETHANOL”, “CETEARYL GLUCOSIDE”, “HYDROXYETHYL ACRYLATE/SODIUM ACRYLOYLDIMETHYLAURINE COPOLYMER”, “LECITHIN”, “1,2-PENTANEDIOL”, “GLYCERINUM STEARATE SE”, “SQUALANE”, “INULIN LAURYL CARBAMATE”, “CITRUS AURANTIUM BERGAMIA FRUIT OIL”, “HYDROLYSIS HYALURONIC ACID”, “ALLANTOIN”, “SCLEROTIUM ROLFSSII GLUE”, “LYSOLECITHIN”, “TOCOPHEROL ACETATE”, “XANTHAN GUM”, “TOCOPHEROL (VITAMIN E)”, “SODIUM HYALURONATE”, “EDTA DISODIUM”, “ETHYL ALCOHOL”, “RETINOL”, “POLYSORBATE - 20”, “POLYSORBATE - 60”, “BUDDING SESSILASE POLYSACCHARIDE”, “LAVANDULA ANGUSTIFOLIA OIL”, “CAPRYLYL GLYCOL”, “ALOE BARBADENSIS LEAF JUICE”, “TEPHROSIA PURPUREA SEED EXTRACT”, “DECAMETHYLENE GLYCOL”, “SORBITAN ISOSTEARATE”, “DIPEPTIDE DIAMINO BUTYRYL BENZYLAMIDE DI ACETATE”, “MONO POTASSIUM PHOSPHATE”, “SILICA”, “SODIUM HYDROXIDE”, “BUTYLATED HYDROXYTOLUENE”, “SALVIA SCLAREA OIL”, “CUPRESSUS SEMPERVIRENS OIL”, “SANTALUM ALBUM OIL”, “CARUM PETROSELINUM SEED OIL”, “COMMIPHORA MYRRHA OIL”, “ANTHEMIS NOBILIS FLOWER OIL”, “BUTYLATED HYDROXYANISOLE”, “6-O-PALMITOYL-L-ASCORBIC ACID”]
EVE LOM BRIGHTENING CLEANSING AND SOFTENING TABLETS	[“WATER”, “HYDROXYACETIC ACID”, “POLYSORBATE - 20”, “XYLITOL GLUCOSIDE”, “SODIUM HYDROXIDE”, “PHENOXYETHANOL”, “DEHYDRATED XYLITOL”, “VACCINIUM MYRTILLUS FRUIT EXTRACT”, “LACTOBIONIC ACID”, “NEWTOL”, “SACCHARUM OFFICINARUM EXTRACT”, “GLYCERINUM”, “SALICYLIC ACID”, “NICOTINAMIDE”, “ETHYLHEXYLGLYCERIN”, “CITRUS LIMON FRUIT EXTRACT”, “CITRUS AURANTIUM DULCIS FRUIT EXTRACT”, “ALLANTOIN”, “ACER SACCHARUM EXTRACT”, “BIOLOGICAL SUGAR GUM 1”, “ALTHAEA OFFICINALIS ROOT EXTRACT”, “SODIUM BENZOATE”, “POTASSIUM SORBATE”]
EVE LOM BRIGHTENING CLEANSING AND SOFTENING LOTION	[“WATER”, “CITRUS AURANTIUM BERGAMIA FRUIT EXTRACT”, “GLYCERINUM”, “BETAINE”, “POLYSORBATE - 20”, “PHENOXYETHANOL”, “HAMAMELIS VIRGINIANA WATER”, “ALLANTOIN”, “ETHYLHEXYLGLYCERIN”, “ALOE BARBADENSIS LEAF JUICE”, “ETHYL ALCOHOL”, “EPILOBIUM FLEISCHERI EXTRACT”, “LENS ESCULENTA SEED EXTRACT”, “EDTA DISODIUM”, “CITRIC ACID”, “POTASSIUM SORBATE”, “SODIUM HYDROXIDE”, “BIOFLAVONOID”, “GLUCOSE”, “CHLOROGENIC ACID”, “CENTELLA ASIATICA EXTRACT”, “SODIUM BENZOATE”]
EVE LOM CLEANING CONCEALER	[“WATER”, “ZINC OXIDE”, “DENATURATED ETHANOL”, “CETEARYL ALCOHOL”, “ALUMINIUM SILICATE”, “ZINC CARBONATE”, “C12-15 ALCOHOL BENZOATE”, “HYDROGENATED POLYDECENE”, “4-TERPINYL ALCOHOL”, “CETEARYL GLUCOSIDE”, “PHENOXYETHANOL”, “ESSENCE”, “GLYCERINUM”, “SALICYLIC ACID”, “ETHYLHEXYLGLYCERIN”, “CI 77491”, “ACHILLEA MILLEFOLIUM EXTRACT”, “CHAMOMILLA RECUTITA FLOWER EXTRACT”, “FOENICULUM VULGARE SEED EXTRACT”]

Product name	Component
EVE LOM RADIANT ESSENCE	["WATER", "GLYCERINUMPOLYETHER-26", "GLYCERINUM", "1,3-PROPANEDIOL", "NICOTINAMIDE", "XYLITOL GLUCOSIDE ", "POLYSORBATE - 20", "BETAINE", "DEHYDRATED XYLITOL", "PHENOXYETHANOL", "NEWTOL", "SODIUM BENZOATE", "POTASSIUM SORBATE", "LECITHIN", "1,2-PENTANEDIOL", "CITRIC ACID", "DECYLGLUCOSIDE", "GLUTAMINE", "PHENYLETHANOL", "DUNALIELLA SALINA EXTRACT", "BIOLOGICAL SUGAR GUM - 1", "EDTA DISODIUM", "TEPHROSIA PURPUREA SEED EXTRACT", "CITRUS AURANTIUM BERGAMIA FRUIT OIL", "ETHYL ALCOHOL", "RETINOL", "LAVANDULA ANGUSTIFOLIA OIL", "DIPEPTIDE DIAMINOBUTYRYL BENZYLAMIDE DI ACETATE", "GYNOSTEMMA PENTAPHYLLUM LEAF/STEM EXTRACT", "CISTUS INCANUS FLOWER/LEAF/STEM EXTRACT", "MONO POTASSIUM PHOSPHATE", "SALVIA SCLAREA OIL", "CUPRESSUS SEMPERVIRENS OIL", "SANTALUM ALBUM OIL", "CARUM PETROSELINUM SEED OIL", "COMMIPHORA MYRRHA OIL", "ANTHEMIS NOBILIS FLOWER OIL"]
EVE LOM MOISTURIZING LIP CREAM	["BIS-DIGLYCEROL POLYACYL ADIPATE-2-2", "HYDROGENATED POLYDECENE", "MICROCRYSTALLINE WAX", "MENTHOL", "ZINC OXIDE", "WHITE BEESWAX", "PHENOXYETHANOL", "ETHYLHEXYLGLYCERIN"]
EVE LOM NEW TIME CURLING EYE CREAM	["WATER", "ISOSTEARIC ACID NEOVALERATE", "C12-15 ALCOHOL BENZOATE", "GLYCERINUM", "HDI/TRIHYDROXYMETHYLHEXYL LACTONE CROSSLINKED POLYMER", "ASCORBIC ACID TETRAISOPALMITATE", "MYRISTYL MYRISTATE", "CETEARYL OLIVE OIL ESTER", "SORBITAN OLIVE OIL ESTER", "DIPALMITOYL HYDROXYPROLINE", "PHENOXYETHANOL", "LECITHIN", "ETHYL ALCOHOL", "1,2-PENTANEDIOL", "BENZYL ALCOHOL", "AVENA SATIVA SEED EXTRACT", "CARBOMER", "HYDROXYETHYL ACRYLATE/SODIUM ACRYLOYLDIMETHYLAURINE COPOLYMER", "POLYSORBATE - 81", "SQUALANE", "XANTHAN GUM", "SODIUM HYDROXIDE", "ETHYLHEXYLGLYCERIN", "TOCOPHEROL (VITAMIN E) ", "SODIUM HYALURONATE", "EDTA DISODIUM", "RETINOL ", "POLYSORBATE - 20", "SILICA", "POLYSORBATE - 60", "DEHYDROACETIC ACID", "MONO POTASSIUM PHOSPHATE ", "SORBITAN ISOSTEARATE", "SOY ISOFLAVONE", "BUTYLATED HYDROXYTOLUENE", "BUTYLATED HYDROXYANISOLE", "6-O-PALMITOYL-L-ASCORBIC ACID"]
EVE LOM NEW BRIGHTENING AND REVITALIZING EYE CREAM	["WATER", "CETEARYL ALCOHOL", "MYRISTYL MYRISTATE", "CETEARYL RICINOLATE", "1,3-PROPANEDIOL", "CAMELINA SATIVA SEED OIL", "GLYCERINUM", "ISOPROPYL ISOSTEARATE", "POLYDIMETHYLSILOXANE", "PHYTOSTEROL/OCTYL DODECANOL LAUROYL GLUTAMATE", "CETEARYL GLUCOSIDE", "XYLITOL GLUCOSIDE ", "PHENOXYETHANOL ", "DEHYDRATED XYLITOL ", "HYDROXYETHYL ACRYLATE/SODIUM ACRYLOYLDIMETHYLAURINE COPOLYMER", "TOCOPHEROL (VITAMIN E)", "TETRAHYDROMETHYLPYRIMIDINE CARBOXYLIC ACID", "GALACTOSE ARABINOXAN", "SQUALANE", "INULIN LAURYL CARBAMATE", "PANTHENOL", "SCLEROTIUM ROLFSSII GLUE", "LYSOLECITHIN", "PANAX GINSENG ROOT EXTRACT", "NEWTOL ", "XANTHAN GUM", "BUDDING SESSILASE POLYSACCHARIDE", "EDTA DISODIUM", "ETHYLHEXYLGLYCERIN", "POLYSORBATE - 60", "STEAROL POLYETHER-20", "GYNOSTEMMA PENTAPHYLLUM LEAF EXTRACT", "SODIUM HYALURONATE", "DUNALIELLA SALINA EXTRACT", "SORBITAN ISOSTEARATE", "SILICA", "2-BROMO-2-NITROPROPANE 1,3-DIOL", "SODIUM HYDROXIDE", "CITRIC ACID", "PALMITOYL TRIPEPTIDE-5", "SODIUM BENZOATE", "POTASSIUM SORBATE", "N-HYDROXYSUCCINIMIDE", "SODIUM CITRATE", "PANTOLACTONE", "PALMITOYL TRIPEPTIDE-1", "5,7-DIHYDROXYFLAVONE", "PALMITOYL TETRAPEPTIDE-7"]
EVE LOM NEW HYALURONIC ACID MOISTURIZING REPAIR ESSENCE	["WATER", "GLYCERINUM", "PANTHENOL", "SODIUM HYALURONATE", "PHENOXYETHANOL", "ETHYLHEXYLGLYCERIN"]
EVE LOM BRIGHTENING REPAIR RETINOL ESSENCE	["WATER ", "GLYCERINUMPOLYETHER-26", "GLYCERINUM", "XYLITOL GLUCOSIDE", "POLYSORBATE - 20", "POLYACRYLATE CROSSLINKED POLYMER - 6", "PHENOXYETHANOL", "DEHYDRATED XYLITOL", "CAESALPINIA SPINOSA FRUIT EXTRACT", "SODIUM CITRATE", "1,2-PENTANEDIOL", "LECITHIN", "CITRIC ACID", "PANICUM MLIACEUM SEED EXTRACT", "NEWTOL", "HYDROLYSIS HYALURONIC ACID", "KAPPAPHYCUS ALVAREZII EXTRACT", "RETINOL", "ETHYL ALCOHOL", "LACTIC ACID", "LACTOBACILLUS TUNNING", "AVENA SATIVA SEED EXTRACT", "CAPRYLYL GLYCOL", "DECAMETHYLENE GLYCOL", "SODIUM BENZOATE", "MONO POTASSIUM PHOSPHATE", "TANNIC ACID", "CHLOROGENIC ACID ", "BIOFLAVONOID", "GLUCOSE", "ROSA DAMASCENA FLOWER OIL", "POTASSIUM SORBATE", "BUTYLATED HYDROXYTOLUENE", "GARDENIA FLORIDA EXTRACT", "MALTODEXTRIN", "BUTYLATED HYDROXYANISOLE", "TOCOPHEROL (VITAMIN E)", "6-O-PALMITOYL-L-ASCORBIC ACID"]

Feedback

Dear Readers,

Hello! Thank you very much for taking the time to read the *2022 Environmental, Social and Governance Report of Yatsen*. This is our second report to the public since our IPO.

In order to continuously improve the preparation of our sustainability report and enhance the sustainability of the Company, we especially hope to listen to your opinions and suggestions. Please fill in the feedback form and return to us as follows.

Please scan the QR code below and provide your opinions and suggestions on this Report.



You can give your opinions or suggestions through the following channels:

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