



ANTA SPORTS PRODUCTS LIMITED

Incorporated in the Cayman Islands with limited liability

Stock Code: 2020



VALUE Creation through MUTUALISM

Reporting Principles

This is the 7th ESG Report presented by ANTA Sports. This Report covers our ESG performance and practice across all our operations (including branding, production, design, procurement, supply chain management, wholesale and retail of branded sporting goods) in our principal places of business across China from 1 January to 31 December 2021. The Report has been prepared in accordance with Appendix 27 of the Listing Rules (with the application of the four reporting principles of “Materiality”, “Quantitative”, “Balance” and “Consistency”). We aim to enhance the Report’s breadth and representativeness by rigorously following these guidelines. For the purpose of Report preparation, we have engaged an independent professional consultant to seamlessly communicate with our major stakeholders and, with adequate consideration of the opinions of all parties, to identify key issues and determine the specific content of the Report. We will continue to strengthen the information collection regarding the Report to improve our reporting performance and disclosure level as to sustainability.

Reporting Boundary

The manufacturing facilities covered in this Report include ANTA (China) Co., Ltd., Quanzhou Athletic Shoes & Garments Co., Ltd., Quanzhou ANTA Material Supply Co., Ltd., Henan ANTA Material Supply Co., Ltd., Xiamen ANTA Sports Goods Co., Ltd., Xiamen ANTA Industrial Co., Ltd., Changting ANTA Sports Products Co., Ltd. and Shangqiu Anta Shoes Co., Ltd. (only social data are included). The logistics facility includes Fujian ANTA Logistics Information Technology Co., Ltd. The administrative facilities include the office buildings in Xiamen, Jinjiang and Shanghai. The store facilities include the ANTA stores, FILA stores, DESCENTE stores and KOLON SPORT stores under self-operation.

The ESG performance of Amer Sports is not included in this Report. Please refer to website (<https://www.amersports.com/corporate-sustainability-reports/>) for more information on the ESG performance of Amer Sports.

Company Information

ANTA brand was established in 1991, while ANTA Sports Products Limited, a leading global sportswear company, was listed on the Main Board of HKEX in 2007 (Stock code: 2020.HK). For many years, ANTA Sports has been principally engaging in the design, development, manufacturing and marketing of branded sportswear including shoes, apparel and accessories to consumers. By embracing an all-round brand portfolio including ANTA, FILA, DESCENTE and KOLON SPORT, and by setting up an investor consortium to successfully acquire Amer Sports in 2019, a global sportswear group that has internationally recognized brands including Salomon, Arc'teryx, Wilson, Peak Performance, Atomic, etc. ANTA Sports aims to unlock the potential of both the mass and high-end sportswear markets.



Data Sources and Reliability

This Report cites data and cases mainly from our statistical reports and other relevant documents. The Company undertakes that the Report does not contain any false records or misleading statements, and is responsible for the authenticity, accuracy and completeness of its content.

Report Availability and Feedback

The electronic version of the Report is available on the Company's sustainability website.

If you have any question about or comment on this Report, please reach us through any of the following channels:

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CONTENTS

2	Message from the Chairman
4	Board Statement
6	2021 Highlights
12	Stable Development to Ensure Long-term Success
24	Safeguard Quality and Dare to Innovate
32	ANTA Value · Win-Win Cooperation
38	Helping Employees Thrive with People-oriented Policies
48	Promoting a Green Environment
54	Giving Back to Society
57	Prospects – Celebrating ANTA Sports' 30th Anniversary, Creating Mutual Value
62	Appendix
81	Glossary

MESSAGE FROM THE CHAIRMAN

Dear Stakeholders,

On behalf of the Board, I am pleased to present our ESG Report for the year ended 31 December 2021.

30th Anniversary – Embarking on New Adventures

2021 marks our 30th year of operations, so this is a good time for a retrospective look at our achievements and milestones over the past three decades, while planning for future sustainable development. When kick-starting the new journey, we always bear in mind why we started in the first place, and we introduce new vision, new value and new strategy for the next 10 years, laying a solid foundation for the next decade.

Mutualism by Strengthening Governance

“Value Creation through Mutualism” is the new proposition for our next development stage. We will transform ourselves into an organization that

strives for mutual growth, underpinned by four pillars – consumers, eco-system partners, environment, and society – promoting sustainability to reach collective prosperity. While pursuing our business goals, we are dedicated to maintaining honesty, integrity and compliance in our operations. We will also strive to enhance resource conservation and environmental protection, ensure production safety, protect employees’ legitimate interests and rights, and participate in public welfare. We continuously optimize our ESG governance structure by establishing the Sustainability Committee with Board level participation in sustainability issues. In the meantime, we have also become the signatory of United Nations Global Compact, supporting the Ten Principles of the United Nations Global Compact. We firmly believe that we can continue to create more value for

stakeholders by improving internal sustainability governance, strengthening management and controlling our corporate development’s impact on the environment and society.

Mutualism by Focusing on Quality and Innovation

Our aim is to grow side by side with our consumers by building top-notch, multi-brand consumer value. Every year, we provide consumers with high quality sportswear products, allowing them to enjoy the fun of sports. Every item comes with our dedication to quality and innovation. During the financial year, we had over 1,000 registered and approved trademarks, and had over 1,000 valid patents. Furthermore, we strive to enhance our investment in technological R&D. Our aggregated R&D expenses in the past 10 years reached RMB3 billion. We have a R&D team of over 200 international design and development experts from 18 countries and regions. Sustainability has been integrated in our products, and it will be the focus of our new era, empowering our consumers to embrace sustainable consumption concepts.



Mutualism by Achieving a Win-win Outcome with our Eco-system Partners

We aim to grow side by side with our eco-system partners to establish an effective and sustainable industrial chain. During the financial year, 267/162/65 of our suppliers obtained certifications of ISO 9001/ISO 14001/ISO 45001, and 45 suppliers obtained bluesign® certification. We continue to deepen the mutual growth relationship with our upstream and downstream partners. We grow together with our employees to promote their growth. We also attach great importance to diversity, promote a corporate culture of respect, inclusiveness, and openness. During the financial year, the percentage of employee trained reached 79.7%. We are committed to providing our employees with a broad career platform and to improving our global, diversified and multi-level talent team structure. During the financial year, female executives accounted for 34.7% of total executives among our employees. Our eco-system partners and employees help us to grow steadily and ride on the path to success.

Mutualism by Protecting our Green Home

We subsist in symbiosis with the environment and we develop in a sustainable manner in concert with the environment. We continue to attach importance to environmental protection and ecological progress. We always adhere to integrating sustainability into the Group's operations and decision-making and strive to create greater

value with a lower impact on the environment. Carbon neutrality is an environmental issue related to future generations. In the future, products with high carbon footprints will gradually lose their competitiveness. As advocate for sustainability, we are committed to improving green production and product carbon footprint-management capabilities. While realizing the "Mountains of Gold and Silver" economic benefits, we will protect the "Clear Waters and Green Mountains" of our homeland by optimizing our products' carbon footprint and developing innovative environmental protection processes.

Mutualism by Giving Back to Society

We grow side by side with the society and strive to give back to it. We have been committed to participating in community buildup and contributing to building a harmonious society through various community activities. During the financial year, we donated RMB65 million in cash to various charities and donated sportswear worth over RMB270 million (calculated at tag value). Over the years, "Sturdy Growth Charity Project" established 150 ADream Centers, trained 2,817 physical education teachers, donated over RMB490 million worth of sportswear (calculated at tag value) and benefited over 3.5 million students in 9,137 schools in China. We also carried out a number of activities to serve the public, such as supporting the Beijing 2022 Olympic Winter Games, serving the community, promoting common prosperity, and helping those in need.

In addition, we proactively encourage our employees to participate in public welfare activities to jointly fulfill our corporate social responsibilities.

To provide stable and healthy return to our Shareholders, we have paid dividends of more than RMB1 billion annually since 2014, and the cumulative dividends paid from 2014 to 2020 exceeded RMB11 billion. In 2021, the total dividend payout (including paid and recommended dividend) reached RMB3,524 million.

In 2021, we reviewed the development journey in the past 30 years and formulated the development strategy of the coming 10 years. We will continue to create value for consumers, push forward nationwide sports promotion campaign, work together with upstream and downstream partners as well as all employees, bear responsibility for the society and the environment, so as to move towards the goal of sustainability. We believe that keeping on the track of sporting goods, developing multi-brands to cater to market demands, expanding global footprints, and creating mutual growth value are the best ways to create maximum value for all stakeholders.



Ding Shizhong
Chairman

Hong Kong, 18 May 2022

BOARD STATEMENT



While our business continue to grow, the Board attaches great importance to the Group's sustainability management. With reference to the *HKEX ESG Reporting Guide*, the Company established a multi-level, effective and executable ESG management system. We continuously update and improve our ESG management structure, with the Board playing a leading and active role in the Group's ESG affairs participation and supervision.

ESG Management Responsibilities

The Board has overall responsibility for the Company's ESG strategy and reporting. As the top ESG governance body of the Company, the Board is responsible for formulating the Group's sustainability management guidelines, strategy and objectives, and establishing and maintaining ESG risk management and internal control system. The Board is also responsible for preparing the annual ESG report and overseeing the reporting process. In 2021, the

Company established the Sustainability Committee, consisting of three Executive Directors, three Independent Non-Executive Directors and one executive designated by the Board. The committee is responsible for assisting the Board to formulate and review the Group's strategic objectives for sustainable development, and lead and promote each department to improve its mindsets and operation initiatives in various business processes from the perspective of sustainability, identify and manage ESG risks, and coordinate and standardize the collection of ESG related



ESG Reporting and this Report

This Report has been prepared by the Board with application of the following four reporting principles:

Materiality: Materiality assessment is performed to identify ESG matters that are material to investors and other stakeholders, and to assess the direct and indirect significance of these matters to the Group and stakeholders.

Quantitative: Quantitative information is provided, where appropriate, which helps readers assess the Group's ESG performance objectively. Quantitative information is also accompanied (if necessary) by a narrative, explaining its purpose and impacts, and comparative data.

Balance: The Company discloses unbiased picture with both positive and negative information and performance regarding ESG.

Consistency: ESG data presented in this Report are prepared using consistent methodologies across time periods, unless otherwise specified either in text or in notes.

(We adopted the "Operation Control Method" to compile and convert the environmental data in 2021, and did not convert the data of each unit according to shareholding ratio; while in 2020 and before, we adopted the "Shareholding Ratio Method" to adjust the overall data according to shareholding ratio.)

This Report has been reviewed and approved by the Board and the Sustainability Committee.

data and information to (i) identify the proper order of priority as to ESG-related issues to drive the Company's ESG governance efforts and (ii) improve the quality of ESG information disclosure.

ESG Risk Management

We attach great importance to the potential impact of ESG-related risks and opportunities. Therefore, the Board oversees the assessment of ESG-related risks and opportunities and ensures that appropriate and effective ESG risk management and internal monitoring mechanisms are in place.

Review of the Progress of ESG Goals

We have established a development target management mechanism, covering major ESG performance indicators, and we will periodically review these indicators. On the other hand, we will integrate our key ESG performance indicators as the KPI for key departments of the Group, so as to spur the achievement of our ESG goals. In terms of the medium-term ESG goals, the Board will periodically review the progress of these targets.

2021 HIGHLIGHTS



- Established the Sustainability Committee with Board level participation in sustainability issues



- Became the signatory of United Nations Global Compact, supporting the Ten Principles of the United Nations Global Compact

- Total declared dividends reached **RMB3,524 million**



NO POVERTY

- Donated RMB **65** million in cash
- Donated sportswear worth over RMB **270** million (calculated at tag value)



GOOD HEALTH AND WELL-BEING

- Continued to promote ANTA's "**Sturdy Growth Charity Project**", helping over **3.5** million students in **9,137** schools, providing remarkable enjoyment in sport
- Commissioned qualified recyclers to recycle hazardous waste to maintain a healthy living environment in the community





QUALITY EDUCATION

- Trained **2,817** physical education teachers, established **150** ADream Centers, over the years built ANTA Stadiums and ANTA Camps to promote sports development in underdeveloped regions
- Built Winter Olympics promotion and education base



DECENT WORK AND ECONOMIC GROWTH

- Prohibited child labor and forced labor
- Provided a healthy work environment
- Total number of staff reached **52,000**, female executives accounted for **34.7%** of total executives



INDUSTRY, INNOVATION AND INFRASTRUCTURE

- More than **200** design and R&D experts from **18** countries and regions
- Strengthened the close cooperation with self-owned factories and **357** suppliers from China and **22** suppliers from overseas to launch popular products
- Aggregate R&D expenses in the past 10 years reached RMB **3** billion



RESPONSIBLE CONSUMPTION AND PRODUCTION

- Launched eco-friendly products, implemented the concept of environmental protection and circular economy
- **267/162/65** suppliers obtained certifications of ISO 9001/ISO 14001/ISO 45001, and **45** suppliers obtained bluesign® certification
- Over **1,000** registered and approved trademarks, and over **1,000** valid patents



2021 HIGHLIGHTS

Sustainability Review OUR BUSINESS

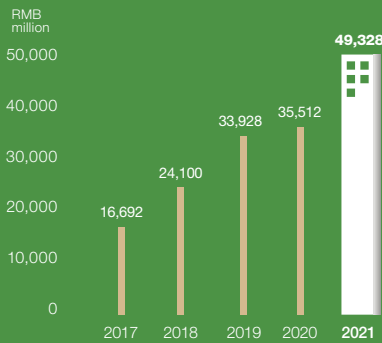
Definition of sustainability

Growing revenue potential

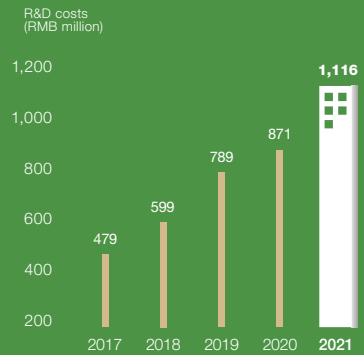
Increased innovation potential

And where are we?

Maintaining an upward revenue trend



Continuing to invest in R&D



Multi-brand strategy



Financial Performance for 2021 RESULTS HIGHLIGHTS

Financial Performance



Revenue
increased by 38.9% to
RMB **49.3** Billion



Gross profit margin increased by
3.4% points to
61.6%



Profit attributable to equity
shareholders increased by 49.6% to
RMB **7.7** Billion



Basic earnings per share
increased by 49.5% to
RMB **2.87**



Payout of the profit attributable to
equity shareholders
45.6%

Operational Performance

Number of ANTA stores
(including ANTA KIDS standalone stores)
in Mainland China and
overseas stood at

9,403

Number of FILA stores
(including FILA KIDS and FILA FUSION standalone stores)
in Mainland China, Hong Kong,
Macao and Singapore stood at

2,054

Number of
DESCENTE stores
in Mainland China, Hong
Kong and Macao stood at

182

Number of
KOLON SPORT stores
in Mainland China
stood at

152



2021 HIGHLIGHTS

Constituent Stock

Index abbreviation	Index name in English
HSI	Hang Seng Index
HSCEI	Hang Seng China Enterprises Index
HSML100	Hang Seng China (Hong Kong-listed) 100 Index
HSFML25	Hang Seng China (Hong Kong-listed) 25 Index
HSCI	Hang Seng Composite Index
HSCICD	Hang Seng Composite Industry Index – Consumer Discretionary
HSLI	Hang Seng Composite LargeCap Index
HSLMI	Hang Seng Composite LargeCap & MidCap Index
HSLMIV	Hang Seng Large-Mid Cap (Investable) Index
HSSCNAH	Hang Seng SCHK ex-AH Companies Index
HSSCMLC	Hang Seng SCHK Mainland China Companies Index
HSHKI	Hang Seng Stock Connect Hong Kong Index
HSSCHK	Hang Seng Stock Connect Hong Kong Composite Index
HSCGS	Hang Seng Consumer Goods & Services Index
HSIESG	HSI ESG Index
HSCEESG	HSCEI ESG Index
HSESG50	Hang Seng ESG 50 Index
HSHKS50	Hang Seng Stock Connect Hong Kong Top Shareholding 50 Index
BWORLD	Bloomberg World Index
BESGPRO	Bloomberg ESG Data Index
BWRETL	Bloomberg World Retail Index
SBBMGLU	S&P Global BMI (US Dollar)
SCRTCN	S&P China BMI Index
SCRTEM	S&P Emerging BMI Index

Rating and Awards

ANTA Sports' rating:



Achieved an "A-" rating in the Hong Kong Quality Assurance Agency Sustainability Rating



Maintained as "BB" rating in MSCI

Our 2021 ESG Report's award:



Was awarded CarbonCare® ESG Label 2021's "Best Practice in ESG Reporting Level 2" by CarbonCare Innovation Lab

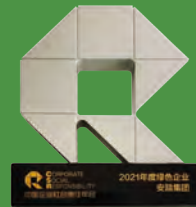
ANTA Sports' awards:



Was awarded the "Best ESG (G) (Large Cap)" by Hong Kong Investor Relations Association



Was awarded the "Best Corporate Social Responsibility Listed Company" in 2021 Best Listed Company in HK and US by Sina Finance



Was awarded the "2021 Green Enterprise" by China Corporate Social Responsibility



Was awarded the "ESG Care Label" by SocietyNext Foundation, UNESCO HK Association Glocal Peace Center & Rotary Action Group for Peace



Was awarded the "Humanity Award – Silver" by Fujian Red Cross



Was awarded "EXCELLENCE" in 2021 "GoldenKey – Sustainability Development Solution" by China Sustainability Tribune

STABLE DEVELOPMENT TO ENSURE LONG-TERM SUCCESS



Material ESG issues addressed in this chapter

Corporate Governance
Anti-corruption

We adhere to fulfilling our social responsibilities, formulate ESG strategies and goals, and proactively support the realization of 17 SDGs of the United Nations. We proactively communicate with various stakeholders and collect their suggestions. We continuously improve our sustainability structure, establish and improve our corporate governance and compliance system, manage and control business risks, and enhance our governance capabilities for ESG affairs. We join hands with all walks of life to build a better world.

Sustainable Development

ESG Strategy

We have set clear overall goals in terms of Environment, Social and Governance. We are dedicated to maintaining honesty, integrity and compliance in our operations, and strengthening resource conservation and environmental protection. We also strive to ensure production safety, protect our employees' legitimate rights, participate in social welfare, and assume greater responsibilities to society.

We support the United Nations' 2030 SDGs and Sustainable Development Agenda, and incorporate ESG responsibilities into our strategic goals. We adhere to creating mutual growth

value with consumers, eco-system partners, environment, and society, as we firmly believe that fulfilling our social responsibilities and being accountable to stakeholders are the keys to achieving sustainable business growth. We continuously improve our ESG management system, focusing on areas such as product quality, employee well-being, environmental protection, and social welfare.

Supporting the SDGs of the United Nations

Sustainable development is closely related to environment, society and global change. Therefore, the United Nations clearly defined 17 SDGs to solve the development problems in three dimensions – economy, society and environment – and called on all countries

to take action. It appeals to achieving goals such as poverty eradication, achieving equality, tackling climate change by 2030, protecting the planet while promoting economic prosperity, protecting the planet, and moving towards a sustainable path.

We attach ample importance to corporate governance responsibilities, product responsibilities, employee responsibilities, supply chain responsibilities, environmental responsibilities, and social responsibilities. Based on our sustainable development strategy and materiality assessment, we match the 17 SDGs with our corporate goals. This facilitates our promotion of sustainable development strategy more effectively and continuously enhances our sustainability competitiveness.

Our Goals	17 SDGs of the United Nations
<p>Economic Growth</p> <p>Improve the quality of development, create sustainable economic benefits, promote economic development, and promote employment opportunity</p>	
<p>Product Quality Leap</p> <p>Maintain product quality at a high level, take technological innovation as the key to brand competitiveness, and win the consumers' long-term confidence in the Group's brands</p>	
<p>Caring for Employees</p> <p>Create an equal, inclusive, healthy and safe work environment for employees, build a training system for diversified talent development, attach importance to employee growth, and join hands with employees to create a better future</p>	
<p>Creating a Green Supply Chain</p> <p>Continue to encourage suppliers to join us in building a green supply chain, promote the application of sustainable packaging, strengthen the independent R&D of core technologies, and promote green transformation and upgrading of the supply chain</p>	
<p>Environmental Protection</p> <p>Take responsibility for environmental protection, implement energy conservation, emissions reduction and green operations, and work with upstream and downstream partners to jointly address climate change risks. Continue to promote green products and sustainable logistics. Promote green office, and enhance the environmental protection awareness of employees and their families through various employee activities</p>	
<p>Giving Back to Society</p> <p>Proactively respond to national macro strategies, undertake corporate social responsibility, proactively participate in community construction, and contribute to the development of a harmonious society through various community activities</p>	

STABLE DEVELOPMENT TO ENSURE LONG-TERM SUCCESS

ESG Governance Structure

We appreciate the great importance of sustainability. By adhering to improving internal sustainability governance, and strengthening the management and control of our corporate development's impact on the environment and society, we strive to continue to create value for our stakeholders. During the financial year, we established a top-down ESG governance structure to promote the Group's overall sustainability efforts from governance level. The Board has overall responsibility for the Company's ESG strategy and reporting, and oversees the overall ESG governance of the Company. The Sustainability Committee is composed of certain executive and

non-executive directors of the Company and certain executives of the Group, and, being delegated (with relevant authorities) by the Board, is responsible for assisting the Board to formulate and review the Group's strategic objectives for sustainable development, and lead and promote each department to improve its mindsets and operation initiatives in various business processes from the perspective of sustainability, identify and manage ESG risks, coordinate and standardize the collection of ESG related data and information to (i) improve the quality of ESG information disclosure; and (ii) the Sustainability Committee is also responsible for identifying the proper order of priority as to ESG issues to drive the Company's ESG governance efforts.

ESG Governance Structure



The Sustainability Committee, established on 18 December 2021, consists of three Executive Directors, three Independent Non-Executive Directors, and one executive designated by the Board. For details of the Sustainability Committee, please refer to the Sustainability Committee Terms of Reference.

Composition of the Sustainability Committee

Members of the Sustainability Committee

Chairman of Committee : Mr. Lai Shixian (Executive Director)

Committee member(s):
Mr. Wu Yonghua, Mr. Zheng Jie
(Executive Director(s))

Committee member(s):
Mr. Yiu Kin Wah Stephen, Mr. Lai Hin Wing Henry Stephen, Ms. Wang Jiaqian (Independent Non-Executive Director(s))

Committee member:
Mr. Yiu Wai Hung
(Executive designated by the Board)

Stakeholder Engagement

During the financial year, we proactively communicated with stakeholders through various channels and maintained close contact with key stakeholders. By continuously improving the transparency of our operations and actively collecting and responding to stakeholders' expectations and requirements, we achieved mutual benefits and positive interactions with stakeholders and created sustainable values for them.

External stakeholders	Stakeholder expectations	Effectiveness of communication during the financial year
Investors/ shareholders	<ul style="list-style-type: none"> • Risk management • Return on investment • Corporate governance • Information disclosure 	Conducted one-on-one meetings, non-deal roadshows, investment forums and telephone conferences
		Organized annual and interim results presentations
Consumers	<ul style="list-style-type: none"> • Quality products • Diversified Products • Well-rounded customer service • Seamless communication channels 	Conducted surveys on consumer satisfaction
		Collected consumer feedback through different channels, such as customer service hotline and feedback from retail staff
Suppliers	<ul style="list-style-type: none"> • Fair, open and just procurement • Supplier support 	Conducted supplier satisfaction surveys
		Held supplier conferences to exchange ideas
Distributors	<ul style="list-style-type: none"> • Mutual benefits • Mutual growth 	Hosted trade fairs
		Organized distributor meetings to exchange ideas
Media	<ul style="list-style-type: none"> • Information openness and transparency • Product quality and safety • Anti-corruption 	Organized press conferences
		Attended media interviews
Government/ regulatory authorities	<ul style="list-style-type: none"> • Operations compliance • Lawful tax payment • Driving regional economic development 	Organized meetings to set standards and exchange ideas
Brand ambassadors	<ul style="list-style-type: none"> • Brand image • Product quality • Product R&D and innovation • Intellectual property 	Ensured timely communication with the brand ambassadors and collected their feedback on our products
		Provided tailor-made products per request
Athletes	<ul style="list-style-type: none"> • Product performance • Product R&D and innovation 	Sponsored athletes' competition outfit and equipment

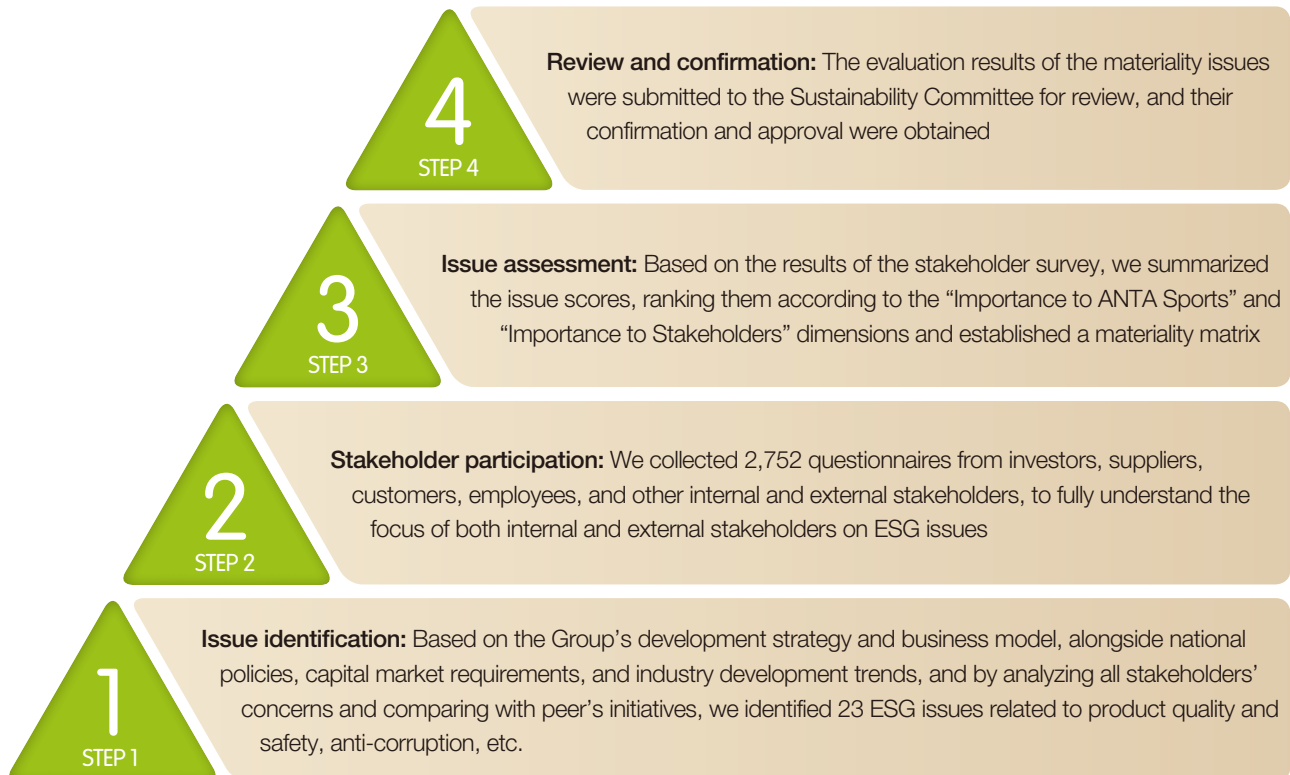
STABLE DEVELOPMENT TO ENSURE LONG-TERM SUCCESS

Internal stakeholders	Stakeholder expectations	Communication activities during the financial year
Board	<ul style="list-style-type: none"> • Corporate governance • Anti-corruption • Risk management 	Held Board meetings
Management	<ul style="list-style-type: none"> • Product quality and safety • Environmental impact management 	Participated in the decision making and operations of the Group, performed management roles, and directed or coordinated staff to fulfill their job duties
Staff	<ul style="list-style-type: none"> • Staff welfare • Staff development and training • Anti-corruption 	Engaged in surveys and participated in online and face-to-face staff activities

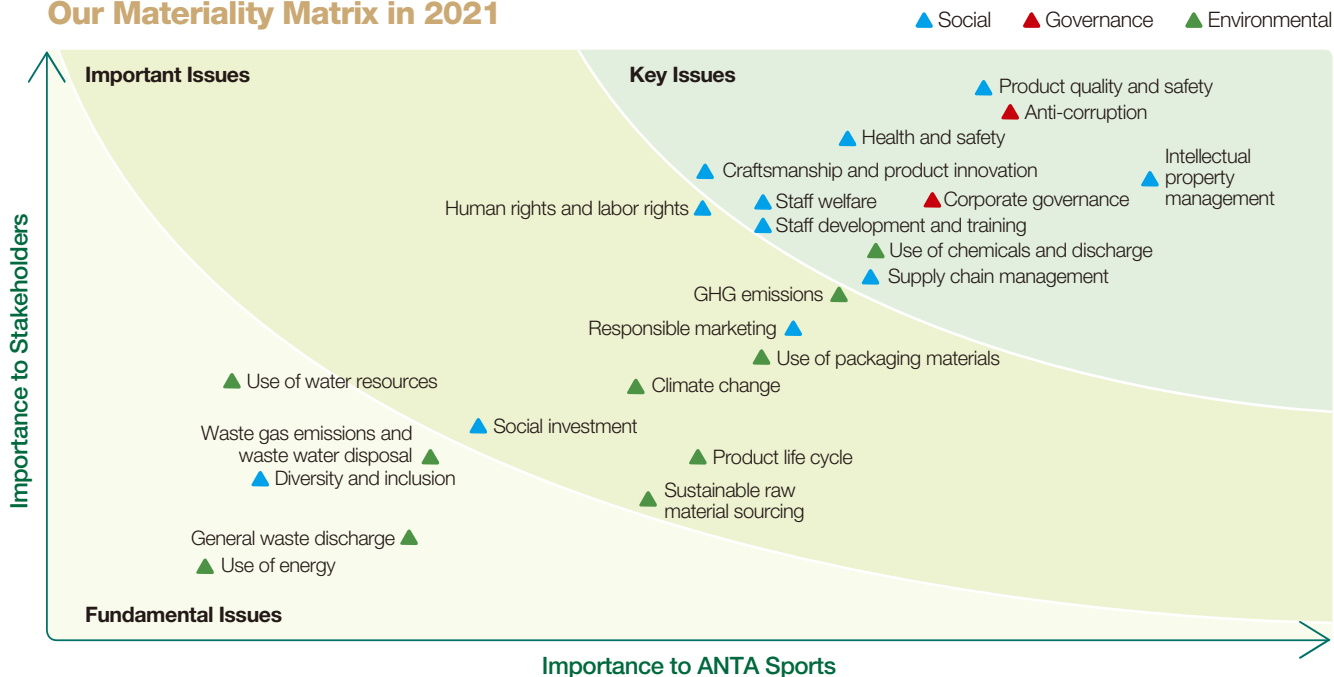
ESG Issues Materiality

During the financial year, we engaged an independent professional consultant to conduct internal and external stakeholders survey and assessment and collected their feedbacks. This was followed by a materiality analysis to prioritize issues, which provided a reference for the Group to improve its ESG management and efficiently respond to the expectations and demands of stakeholders.

Progress of Materiality Analysis



Our Materiality Matrix in 2021



Our Material Issues During The Financial Year

Materiality	Topic Category	Material Issues
Key Issues	Environmental	Use of chemicals and discharge
	Social	Craftsmanship and product innovation
	Social	Intellectual property management
	Social	Product quality and safety
	Social	Health and safety
	Social	Supply chain management
	Social	Staff welfare
	Social	Staff development and training
	Governance	Anti-corruption
	Governance	Corporate governance

Materiality	Topic Category	Material Issues
Important Issues	Environmental	Use of packaging materials
	Environmental	Climate change
	Environmental	Product life cycle
	Environmental	Sustainable raw material sourcing
	Environmental	GHG emissions
	Social	Human rights and labor rights
	Social	Responsible marketing
Fundamental Issues	Social	Social investment
	Environmental	Waste gas emissions and waste water disposal
	Environmental	General waste discharge
	Environmental	Use of energy
	Social	Use of water resources
	Social	Diversity and inclusion

STABLE DEVELOPMENT TO ENSURE LONG-TERM SUCCESS

According to the materiality matrix, the changes in the sequence of the top eight key issues compared to 2020 were as follows:

Order	2021	2020
1	Intellectual property management	Health and safety
2	Anti-corruption	Product quality and safety
3	Product quality and safety	Staff welfare
4	Corporate governance	Human rights and labor rights
5	Health and safety	Product quality and safety
6	Use of chemicals and discharge	Intellectual property management
7	Supply chain management	Corporate governance
8	Staff welfare	Craftsmanship and product innovation

A comparison of the matrices for 2020 and 2021 showed the following:

- The scope of the top eight key issues was mostly similar, with only a slight change in the ranking;
- Anti-corruption, the use of chemicals and discharge, and supply chain were new issues included in the top eight issues in 2021 management; anti-corruption was a new issue in 2021 that attracted strong concerns from employees, consumers and investors; and
- The ranking of intellectual property management rose from sixth in 2020 to first in 2021 owing to greater concerns from employees, investors and distributors.

The Top Three Issues Key Stakeholders were Concerned About

	 Employees	 Suppliers	 Consumers	 Distributors	 Investors
1	Anti-corruption	Product quality and safety	Anti-corruption	Staff welfare	Craftsmanship and product innovation
2	Intellectual property management	Human rights and labor rights	Product quality and safety	Product quality and safety	Anti-corruption
3	Product quality and safety	Health and safety	Corporate governance	Anti-corruption	Product quality and safety



Corporate Governance Company Governance

We appreciate the value and importance of achieving high corporate governance standards to enhance corporate performance, transparency and accountability, which in turn enable us to earn the confidence of Shareholders and the public. The Board strives to adhere to the standard corporate governance principles and adopt sound corporate governance practices to meet the legal and commercial standards, with a focus on a number of areas including risk management and internal control, fair disclosure and accountability to Shareholders.

The Board is collectively responsible for the Company's management, operations and decisions.

The Board takes responsibility to oversee all major matters of the Company, including the formulation and approval of all internal policies, overall strategies, risk management and internal control systems, and supervision of the performance of management team. All directors are subject to the same legal duties under all applicable laws and the Listing Rules. They are required, in the performance of their duties as directors, to act honestly and in good faith in the interests of the Company and Shareholders as a whole, avoid actual and potential conflicts of interest and duty, apply reasonable care and diligence, and make decisions objectively in the best interests of the Company.

Diversified Governance

We are committed to establishing a diversified governance structure. There

are five committees under the Board, namely Audit Committee, Remuneration Committee, Nomination Committee, Risk Management Committee and Sustainability Committee. Each committee has formulated specific terms of reference, which are posted on the Company's website (ir.anta.com) and the Hong Kong Stock Exchange's website (www.hkexnews.hk). The committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses. Regular Board/committee meetings are held to discuss overall strategies, operational and financial performance, and corporate governance of the Group, review and approve results, and conduct annual evaluations on Board and committees performance.

STABLE DEVELOPMENT TO ENSURE LONG-TERM SUCCESS

Independence of the Independent Non-Executive Directors

In respect of the financial year, the Company has received from each of the Independent Non-Executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee has assessed the independence of all the Independent Non-Executive Directors, and the Board and the Nomination Committee consider that all the Independent Non-Executive Directors are independent in accordance with the Listing Rules. Mr. Dai Zhongchuan has been appointed as an Independent Non-Executive Director since April 2009 and has served the Company for more than eleven years. Nomination Committee further assesses Mr. Dai's role as an Independent Non-Executive Director annually, taking into account factors including but not limited to Mr. Dai's reputation for integrity, experience, ability to assist the Board, perspectives and skills, and commitment while having due regard to the board diversity policy of the Company.

KEY PERFORMANCE IN 2021



21 Board/committee meetings

At each board/committee meeting, the average attendance rate of directors/committee members is **100%**

(Note: If a director has interests in the matters discussed, the said director will abstain from voting at that Board/Committee meeting.)

Name	Mr. Ding Shizhong	Mr. Ding Shijia	Mr. Lai Shixian	
Gender	Male	Male	Male	
Age	51	57	47	
Length of service of the Board (up to 31 December 2021)	14 years	14 years	14 years	
Skills, knowledge & professional experience	(a) Accounting & finance		✓	
	(b) Business development	✓		
	(c) Brand management	✓		
	(d) Capital market		✓	
	(e) Corporate responsibility/sustainability	✓	✓	
	(f) Corporate strategy and planning	✓		
	(g) Executive management and leadership skills	✓	✓	✓
	(h) Investor relations			✓
	(i) Legal			✓
	(j) Manufacturing		✓	
	(k) Other listed board experience/role			✓
	(l) Operational management	✓	✓	✓
	(m) Risk management			✓
	(n) Sales and marketing	✓		
	(o) Supply chain management		✓	✓
(p) Treasury management			✓	
(q) Informational management			✓	

Board details as at 31 December 2021

- The Board consisted of 11 members, including six Executive Directors, one Non-Executive Director, and four Independent Non-Executive Directors
- The Board has one female director
- The ages of board members ranged from 42 to 65
- Directors are from diverse and complementary backgrounds with differentiated skills, knowledge and professional experience



Mr. Wu Yonghua	Mr. Zheng Jie	Mr. Bi Mingwei	Mr. Wang Wenmo	Mr. Dai Zhongchuan	Mr. Yiu Kin Wah Stephen	Mr. Lai Hin Wing Henry Stephen	Ms. Wang Jiaqian
Male	Male	Male	Male	Male	Male	Male	Female
51	53	49	65	56	61	65	42
14 years	12 years	0.5 year	14 years	12 years	3.5 years	1 year	0.5 year
		✓			✓		
✓	✓						✓
✓	✓						✓
					✓	✓	
✓	✓	✓			✓	✓	✓
		✓					✓
✓	✓	✓	✓	✓	✓	✓	✓
✓	✓	✓			✓		✓
		✓	✓				
		✓					

STABLE DEVELOPMENT TO ENSURE LONG-TERM SUCCESS



Business Ethics

We abide by the “Supervision Law of the People’s Republic of China”, the “Company Law of the People’s Republic of China”, and other national laws and regulations. We formulate and abide by internal management policies, including the “Anti-Corruption Regulations” which clearly list our prohibition of corruption behavior, such as any types of facilitation fee, and the corresponding punishment. During the financial year, we established the Integrity and Ethics Committee in company-level, which is composed of managers from the Audit and Supervision Department, Legal Department, Corporate Affairs Department, Finance Department, and Human Resources Department, as the highest organization for anti-corruption supervision.

Our employees are required to sign the “Integrity and Self-discipline Commitment” and we have added anti-corruption clauses in our standard “Employee Labor Contract” to strengthen internal anti-corruption measures. We joined the Sunshine Integrity Alliance and the Corporate Anti-Fraud Alliance as a member in 2019 to learn from the experience of excellent corporates and improve our internal anti-corruption system. We reached an anti-fraud consensus with alliance companies during the financial year by sharing the list of untrustworthy individuals and promising to refuse to hire these untrustworthy individuals who engaged in unethical or immoral activity.

Board Diversity

The Board represents a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group’s business. The Board includes a balanced composition of Executive Directors and Non-Executive Directors (including Independent Non-Executive Directors) so that there is a strong independent element on the Board, which can facilitate the effective exercise of independent judgement. Established Board practice is in place so that any changes to the Board composition (if any) can be managed without undue disruption.

The Board has adopted a board diversity policy in accordance with the requirements set out in the CG Code. The policy aims to set out the approach to achieve diversity on the Board. The Company appreciates and embraces the benefits of having a diverse Board

to broaden its view and enhance the quality of its performance. The Company endeavors to pursue an all-around diverse Board in various aspects and will carry out ongoing review of its Board composition. All Board appointments shall be based on meritocracy, and candidates shall be considered against objective criteria, having due regard for the benefits of diversity on the Board. Selection of candidates shall be based on a range of measurable objectives under the board diversity policy, including but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. In designing the Board’s composition, the Company will also take into account factors based on its own business model and specific needs from time to time. The ultimate decision shall be based on merit and contribution that the selected candidates shall bring to the Board.



KEY PERFORMANCE IN 2021



The number of corporate crimes that have been discovered and transferred to judicial organization was 1

Whistleblowing Management

To strengthen internal and external whistleblowing supervision, effectively combat corruption and fraud, and create an honest, well-regulated work environment, we formulated whistleblowing related internal policy in accordance with the relevant laws and regulations; we standardized the procedures for case information collection, registration, storage, and investigation; we provide multiple independent 24/7 reporting channels, such as email, hotline, WeChat and mailbox to internal and external stakeholders including employees, customers and suppliers; we guarantee that the cases are handled by full-time investigators with professional skills and ensure that the whistleblowers' personal information remains confidential.

Anti-corruption Campaign and Education

We proactively build an anti-corruption culture and conduct publicity and training for the Board, management and employees through different channels, such as ANTA Forum, ANTA Youth, Integrity ANTA, and Integrity Month, with a coverage rate of 100%. During the financial year, all directors participated in anti-corruption training. In the 89th ANTA Forum held in April 2021, the management made a presentation of the Group's anti-corruption policies, culture and measures to all employees, and advocated that they shall uphold the principles, remain upright, and work in a down-to-earth manner. Employees signed the "Integrity and Self-discipline Commitment" and committed to maintaining high integrity.

Anti-corruption in the Supply Chain

For anti-corruption management among supply chain, we signed an "Anti-Commercial Bribery Agreement" with suppliers, and received an integrity undertaking from suppliers at the admittance stage. If the anti-corruption responsibility clause is violated, liquidated damages will be imposed. We publicized integrity to suppliers through various channels, including supplier conferences and social media, to enhance their awareness of the importance of integrity and anti-corruption.



SAFEGUARD QUALITY AND DARE TO INNOVATE



Material ESG issues addressed in this chapter

- Craftsmanship and product innovation
- Intellectual property management
- Product quality and safety
- Product life cycle
- Use of chemicals and discharge
- Responsible marketing

We always maintain product quality at a high level, and regard technological innovation as key to the vitality of our brands. We believe that the essence of product quality is not limited to production quality and should expand to enhancement in product design and techniques, innovation, service, and so forth, in order to win our customers' long-term confidence.

Craftsmanship, Design and Innovation

We have always adhered to the principle that "Innovation is the Foundation of Enterprise" and strengthened our independent innovation capabilities. Based on our well-established, sound R&D innovation framework, we comprehensively push forward different dimensions of R&D work, such as technological innovation, product innovation, design innovation and craftsmanship innovation.

Technological R&D Innovation

We attach great importance to technological R&D innovation. In 2005, we established the industry's first sports science laboratory at the national level in China. Over the years, the Sports Science Laboratory has collected foot shape data from people all over China to provide effective data support for our independent R&D and innovation. We have established design centers all over the country, and cooperate with international design teams composed of designers from the United States, Japan, South Korea, etc. We focus on strengthening the R&D of sports products and integrating global resources to better meet the various needs of the economy, society, enterprise development and diversified markets.

KEY PERFORMANCE IN 2021



R&D expenses:

Our aggregated R&D expenses in the past **10** years reached RMB **3** billion

Leveraging top talents:

We have over **200** international design and development experts from **18** countries and regions

Cooperation with accredited scientific research institutions:

We cooperate with institutions such as Tsinghua University, the China National Institute of Standardization, etc.

Product Design Innovation

Product design innovation is our primary focus. In addition to incorporating a large number of technological elements, we have unique aesthetics and requirements for product design. In terms of design style, we innovatively integrate various styles, such as Chinese style and Italian style, into sports aesthetic design. Regarding fabric selection, we actively introduce environmentally friendly materials such as Sorona[®] fiber, and other renewable polyester fibers to create sustainable items that are both fashionable and environmentally friendly. Through deep integration of forward-looking sports technology R&D and innovative market transformation, we strive to achieve major breakthroughs in materials and design that lead the development of the industry and help drive the growth and globalization of Chinese sports brands.

The accumulation of technological innovation allows us to provide high-quality products to consumers. Over the years, ANTA has successively launched advanced products using our proprietary technologies, including A-Loop, A-Jelly, C202 running shoes, and KT series basketball shoes, all of which have been well received by consumers. During the financial year, ANTA cooperated with the COC to officially release the “Champion Dragon Outfit”, the uniform for the Chinese

Sports Delegation at the Tokyo 2020 Olympic Summer Games. Designed by renowned visual artist Timmy Yip, the “Champion Dragon Outfit” incorporated innovative Chinese elements with traditional cultural concepts and philosophy. For the shoes that the athletes wore when receiving their medals, the design team took reference from “Five Stars Rise in the East”, an unearthed Eastern Han cultural relic. Different patterns, including the Chinese cloud pattern, auspicious animals, the sun and the moon were embroidered in a flying weave pattern to symbolize the nationwide hopes that China’s Olympic athletes would achieve outstanding results at the Games. In terms of technology, ANTA incorporated Nitro Speed technology and Smart Sam technology to achieve a combination of rebound and shock absorption, providing Chinese Olympic athletes with professional technology for their ascent to the victory podium.

Intellectual Property Management

We attach great importance to intellectual property protection, thoroughly implement intellectual property management, and establish sound management policies for brand protection, trademark and patents. We strictly abide by the “Patent Law of the People’s Republic of China”, “Trademark Law of the People’s Republic of China”, “Copyright Law of the People’s Republic of China”, and other laws and regulations. We also continued to improve the “Intellectual Property Management Policy”, “Intellectual Property Review Management Policy”, “Product Intellectual Property Risk Management Process” and other internal policies. During the financial year, we standardized and updated the management processes of intellectual property risk management review and counterfeit sales from private domain live streaming.



SAFEGUARD QUALITY AND DARE TO INNOVATE

During the financial year, we carried out risk prevention, anti-infringement and anti-counterfeiting of our intellectual properties, as follows:

- **Internal:**
We reviewed and controlled possible infringement risks in the business according to the laws and regulations;
- **External:**
We took various measures to combat counterfeit products in accordance with the laws.



Product Quality and Safety

We strictly abide by the “Product Quality Law of the People’s Republic of China”, the “Consumer Rights Protection Law of the People’s Republic of China”, and other laws and regulations. We continue to improve our internal quality and safety control management system, and thoroughly implement quality monitoring and safety and security measures. We continuously develop and adopt new technologies to improve product quality, and strive to ensure that all consumers enjoy the fun of sports with our high-quality sportswear.

Focusing on Product Quality

Product quality is the foundation of our business. We are committed to supplying high-quality products to consumers.

With reference to the ISO 9001 quality management system requirements and relevant industry standards, we formulated a quality control system covering the entire life cycle of products to ensure production line stability and reduction of potential risks. Our “Quality Management Manual” provides a complete introduction of product quality management: chemical specifications, recall management, product risk assessment, and other policies. We conduct special quality inspections on some products, including inspections of product mildew prevention, inspection of metal products, and other special inspections. We developed “Quality Management Manual” for different brands, ensuring our products are in high quality effectively.

KEY PERFORMANCE IN 2021



Over **1,000** registered and approved trademarks

Over **1,000** valid patents

Over **2,000** brand protection action cases

A total of **19** cases of production counterfeiting and brand infringement activities, which were successfully fought against (the court’s criminal judgment rendered)

During the financial year, we implemented comprehensive measures to ensure quality improvement:

- **Internal policies:** We formulated a list and a plan for quality-improvement projects to improve the standard of each product category.
- **System certification:** We conducted three annual audits to determine whether we met certification standards, including ISO 45001, ISO 9001 and ISO 14001.
- **Production:** We designated dedicated factory space for new automation equipment to improve production efficiency and quality.
- **Quality inspection:** Through the automation and intelligentization of our R&D equipment, the detection system is optimized to enhance the detection accuracy and efficiency.
- **Scientific research and innovation:** We introduced smart manufacturing for shoes, cutting automation and other related innovative technology.
- **Learning and training:** We organized many quality training and learning sessions internally for business-side personnel and externally for suppliers.

To better guarantee the quality of the “Champion Dragon Outfit”, we formulated a special quality standard for the Olympic Winter Games clothing and accessories and deployed dedicated personnel to monitor the production on site. We also launched third-party full inspection

and strict control mechanisms to ensure all-around quality control management of the products. We established dedicated management measures for try-on, testing, and materials to safeguard the quality of the “Champion Dragon Outfit”.

Product Recall Management

We track and manage the quality of the products sold, and have a sound product-recall mechanism. If a product with quality problems or potential safety hazards is found after leaving factory, we will carry out recall according to the “ANTA Recall Management Policy”, to prevent any losses to consumers. For any products that do not comply with regulations, that have problems in the self-inspection process, or with recall rate exceeding 5%, we would issue a takedown notice within one working day after recall confirmation, and notify our distributors, DTC franchisees and self-operated stores to return all products for centralized processing. Employees are strictly prohibited from handling them individually. During the financial year, ANTA and FILA had no recalls for safety and health reasons.

Chemicals Safety Management

We attach great importance to the chemicals safety management, and we strictly abide by the relevant laws and regulations on environmental protection.



We established chemicals management policies where our suppliers should also follow. In accordance with the relevant regulations and market requirements in China, we formulated specifications such as “Chemicals Safety Technical Specifications for Apparel, Shoes and Accessories” and “Guidelines for Chemicals Safety Process Control”. Our Quality Control Departments of shoes, apparel and accessories determine the test items according to these specifications and conduct inspections of the corresponding products and materials according to relevant documents. All the chemicals used are comprehensively identified and counted. We are also committed to gradually reducing and eventually eliminating the use of hazardous and restricted chemicals. We monitor the uses of chemicals in the entire production process of our products, and identify the types and quantities of high-risk chemicals to be phased out or banned in accordance with relevant regulations and industry standards, including insecticides, plasticizers, aromatic amine dyes, carcinogenic dyes, allergenic disperse dyes, and other banned dyes.

SAFEGUARD QUALITY AND DARE TO INNOVATE



We require our suppliers and eco-system partners to be in line with our commitment to consumer safety and environmental protection. Therefore, we formulated internal policies such as “Suppliers’ Chemicals Safety Management Implementation Guide” to ensure that our products and raw materials will not harm human health or the environment while they are worn, maintained or handled. We require suppliers to apply effective management on the use of chemicals in different stages. This is to protect consumer rights and achieve long-term win-win cooperation.

Technology Enhances Quality

During the financial year, ANTA announced its Five-year Development Strategy and “Lead-to-Win” Acceleration Plan, which commit to integrating the world’s top sports technology R&D resources and continuing to increase investment in R&D in the future. Years of accumulation of technological innovation have allowed us to provide high-quality products to consumers. ANTA has been continuously launching products using its proprietary

technologies, including A-Loop, A-Jelly, A-Flashfoam, Hydrogen, Hot Technology, A-Chill Touch, A-Cool, and many other innovative technologies. Our team will continue to pursue in-depth technological innovation to empower our long-term development.

Riding on its advanced technological R&D, ANTA launched FLASHLITE ZERO Hydrogen running shoes, which received a stronger market response than the FLASHLITE 2.0. Density of the material used in FLASHLITE ZERO Hydrogen running shoes is reduced to 0.1 grams/cm³, which is 28% lower than that in the previous version. The energy return rate is 77%, which is 16% higher than that of FLASHLITE 2.0. ANTA’s Hot Technology is an innovative technology platform designed and developed by our scientific laboratory. Through the application of three unique core technologies – polythermal cotton, graphene, and super down – it has achieved leading performance, with superior warmth retention. In November 2021, Hot Technology was applied to ANTA’s winter sports series. ANTA supported the athletes and volunteers with professional outfit using “Hot Technology” and provided consumer products using the same technology, allowing all consumers to enjoy the ultimate Olympic technology experience.

Digital Empowerment

Since 2020, we have invested on DTC model and made its development plan over the next 10 years. The DTC model achieves the reconstruction of relationship among people, goods and markets, enhances member value, strengthens the technology middle platform, and makes use of innovative product intelligence. It also enables efficient connection between ANTA and the retail channels, which helps ANTA to quickly respond to consumer needs.

In the R&D process, we have greatly shortened the R&D cycle, using AI technology to automatically generate color matching, design, and 3D technology modeling, so we can provide different color matching for designers' reference. Using the data from front-end sales and market feedback, we can quickly improve product design. In addition, our smart factory has allowed transformation and upgrading of the manufacturing process through the use of digital technology.

Excellent Customer Service

We have embraced our initial aspiration of being "Consumer-Oriented". We strictly abide by the "Consumer Rights Protection Law of the People's Republic of China", take and deal with consumer demands

seriously, and protect the legitimate rights and interests of our customers. Through continuous improvement of our customer service system, efficient customer communication, and timely response and feedback to consumer demands, we have greatly improved our customer satisfaction rate and provided a high-quality service experience to different types of consumers.

Customer Service System

We established a relatively comprehensive customer service system that provides personalized customer service targetting different brands. We established the "Customer Service Management Policy". FILA established the comprehensive membership management manual, customer service system and Membership Management Department, to provide more effective customer services.

Responding to Customer Demands

We attach great importance to every customer's need. We have formulated a customer management system and streamlined the process for handling customer complaints accordingly. Customers can make complaints through various channels, such as our hotline, email, social media, and stores. According to the relevant

internal policies of our different brands, we have procedures for collecting, classifying, answering, replying and tracking complaints. Complaints are processed by the Customer Service Department within the prescribed one working day after receipt and quality-related complaints will be responded within one to three working days.

To further improve our customer service quality, we include customer complaint handling in the relevant staff performance appraisal. We conduct retail customer service assessments and have corresponding standards for customer reception and after-sales service. Relevant personnel are deployed by headquarters to pay regular undercover visits to retail stores and analyze the customer-complaint data collected.

KEY PERFORMANCE IN 2021



The complaint handling completion rate of the customer service system at headquarters was **100%**

SAFEGUARD QUALITY AND DARE TO INNOVATE



Customer Satisfaction

We continuously optimize our products and improve our customer service system to promote customer satisfaction. We also identify customer needs through customer satisfaction surveys. To effectively quantify user satisfaction, we have launched an internal net promoter score survey, which is automatically triggered after customers shop in brick-and-mortar stores, FILA mini-program and FILA Tmall official flagship store. Customers can also actively participate in the survey by scanning the net promoter score QR code.

Responsible Marketing

We strictly abide by the “Advertising Law of the People’s Republic of China”, “Anti-Unfair Competition Law of the People’s Republic of China”, “E-Commerce Law of the People’s Republic of China”, and other laws and regulations. We practice responsible product marketing by strictly controlling our promotion channels, such as television, print media, web portals, and live-streaming media to ensure the accuracy, legality and authenticity of our external publicity information. This also helps prevent or avoid any potential adverse social impact and legal risks related to our brands due to inappropriate publicity, demonstrating our commitment to promoting responsible marketing.

Marketing Risk Management

We attach great importance to responsible marketing and protecting the legitimate rights and interests

of consumers. In accordance with the relevant laws and regulations, all business departments are required to strictly review advertising slogans to be used in product selling process to ensure that consumers do not make any incorrect or inappropriate associations or interpretation of advertising slogans, product packaging, product names, product descriptions, etc., and we strictly monitor brand promotion activities.

We regularly launch promotion campaigns and training sessions on responsible marketing targeting the relevant business departments, including all sales staff, to ensure that their marketing behavior conforms to the principles of responsible marketing.

Advocating Sustainable Consumption

We follow the global emissions-reduction targets and play a positive role in advocating sustainable consumption. While pursuing profitability and growth, we also take into account the promotion of consumer awareness of the importance of sustainable consumption. We plan to drive 300 million consumers to participate in sustainable development by 2030. To this end, we launched a variety of environmentally friendly products that have been widely applauded by consumers, such as recyclable shoes, including the “Environmental Protection” series of Dominance running shoes, the “Train and Recycle” series, which use recycled plastic as raw materials, the NOACH series, which use recyclable yarn, and “The Rain-Breaker” series, with a high-quality water repellent. Through solid initiatives, we have realized the concept of environmental protection and the circular economy to promote green



consumption and enhance consumer awareness of the importance and value of going green and environmental protection.

During the financial year, we launched the new “EcoCosy” fiber textiles series, which demonstrated sustainable fashion. EcoCosy’s high-quality, viscose rayon fibers are sourced from high-quality plantations in the place of origin and are carefully cultivated by researchers for many years from the seed stage. Customized through different spinning processes, EcoCosy fiber textiles are soft and comfortable with excellent color and are 100% biodegradable and recyclable.

Information Security and Privacy

We attach great importance to information security and customer privacy, strictly abide by the “Internet

Security Law of the People’s Republic of China”, “Data Security Law of the People’s Republic of China”, “Personal Information Protection Law of the People’s Republic of China”, and other laws and regulations. Accordingly, we have built and implemented information security management system, and formulated a well-rounded information security management policy matrix comprising 28 information security policies. During the financial year, we reviewed these 28 information security policies to assess the suitability, adequacy and effectiveness of their content, and this drill involved the revision of more than 30 clauses in 15 policies. In addition, we established new policies, such as the “Personal Information Protection Management Policy”, “Data Classification and Hierarchical Management Standards”, and “Data Sharing Process”, to strengthen the security management of corporate data and personal information. We carry out annual internal and external audits of information security. During the financial year, we completed an internal audit of information security and obtained ISO 27001 system certification.

We safeguard information security and customer privacy through a variety of technological measures. We have established dedicated management procedures for the processing of core data. Our core customer data is stored in a private cloud. Through continuous improvement of the technological protection system for information security, the core data security is effectively guaranteed. We regularly conduct a large number of penetration tests internally and conduct attack-and-defense drills to ensure that our local data are effectively protected. In addition,

if an information security incident occurs, employees can report according to the reporting process stipulated in the “Information Security Incident Management Policy”. The Information Security Department will organize different degrees of investigation, evaluation, processing, reporting, and summarizing based on the level of the incident.

We have taken measures at the software and hardware levels to ensure the security of our core information, including using dynamic passwords, locking data to prevent copies being made, unauthorized channel control, conducting compliance checks on hard disk data, and recycling and backing up hard disk data when computers reach end-of-life. We strengthen staff information security awareness and granularize the internal network permissions for core positions to strictly prevent information from being stolen. In cases of information theft, we enforce punishment according to the policies and disclose on the social media to serve as a warning.

We promote information security awareness among all employees. We continuously carry out annual information security awareness training and provide relevant information security courses on the online learning platform of ANTA Talent Academy. During the financial year, most of our employees completed a series of compulsory courses on information security in the IT field and training and examination of compulsory courses on employee information security. Email phishing drills and other approaches further enhanced our employees’ information security awareness.

ANTA VALUE • WIN-WIN COOPERATION



Material ESG issue addressed in this chapter

Supply chain management

As an industry leader, we attach great importance to establishing extensive strategic alliances and close cooperative relations with all walks of life. We adhere to the concept of win-win cooperation and focus on the standardization, professionalization and social responsibility performance of supplier management processes to continuously promote the sustainable development of the supply chain.

Supply Chain Management

Supply chain management is a crucial part of our operations. We are committed to practicing the concept of sustainable development in supply chain management and building a sustainable supply chain. We practice responsible sourcing and reduce social and environmental risks in the entire industrial chain by empowering suppliers to integrate ESG risk concepts into supply chain management.

Supplier Selection and Admittance

We have formulated internal policies, such as the "Shoes Supplier Access and Exit Management Policy", "Supplier Chemicals Safety Control Compliance Statement", etc. to define

the responsibilities of all business departments in supplier management and establish a well-rounded and orderly supply chain management system. We follow the principles of open, fair and righteous sourcing and regulate the admittance, evaluation, inspection, rectification and termination of suppliers. Based on the performance level and strategic potential of each supplier, we conduct strict categorization and classification and establish differentiated supplier management strategies accordingly, and implement quality control and scientific management of suppliers.

During the financial year, ANTA and FILA had 379 contracted suppliers, of which 357 were located in China and 22 were located overseas. Our Operation Department and on-site evaluation teams are responsible for evaluating and managing supplier performance.

We continue to drive the improvement of supplier management and encourage them to obtain more certifications to enhance their performance in

KEY PERFORMANCE IN 2021

Total number of ANTA and FILA contract suppliers (including shoes, apparel and accessories)



Number of suppliers in China: **357**
Number of suppliers overseas: **22**

environmental, governance and quality aspects, striding together towards sustainable development. During the financial year, the number of suppliers who obtained ISO 9001 quality assurance certification, ISO 14001 environmental management certification, ISO 45001 occupational health and safety management certification increased in comparison with that of 2020. Some suppliers have also adopted ISO 26000 social responsibility guidelines to enhance their understanding of social responsibility. Besides, we encourage our apparel suppliers to obtain the bluesign® certification to ensure that they are dealing with people, environment and resources in a responsible and sustainable manner, so as to ensure that the manufacturing process meets environmental, health and safety standards with harmful substances filtered out at the source of production. During the financial year, there were 45 apparel suppliers with the relevant certification.

Supplier Performance Evaluation

Our supplier evaluation mechanism includes both operational and corporate social responsibility aspects. Each aspect has specific scoring criteria to evaluate supplier performance. To this end, we have established scientific management requirements and set up a zero tolerance policy to ensure that suppliers are able to take corrective measures to reduce major operational and ESG-related risks. Furthermore,



KEY PERFORMANCE INDICATOR IN 2021 Number of suppliers that obtained certifications



267



162



65



45

to promote the dynamics of supplier performance evaluation, we have established a fair, open and transparent evaluation platform through the “Group Procurement Supplier Performance Appraisal Management Policy”, so as to make good use of the evaluation mechanism to drive the suppliers’ enthusiasm and proactiveness.

In order to ensure our suppliers are compliant, we conduct quarterly, semi-annual or annual basic supplier evaluation on various factors, including product quality, supply capability, and timely delivery. We also carry out annual quality audits on our suppliers with the support of qualified third-party organizations.

Basic supplier evaluation criteria includes:

- Performance and scores in three major areas: credibility, compliance and financial stability;

- Requirement that the supplier has R&D capabilities, production management capabilities and a quality control system that meets industry standards, in each case from product type, price and company size perspectives;
- Certification of China’s production and quality system, and expectation of certification by other international standards and certification systems;
- Satisfaction of background check questionnaire requirements; and
- Due diligence on all suppliers.

We encourage suppliers to improve their corporate social responsibility and ESG management. To this end, we plan to incorporate ESG performance, such as labor rights, human rights protection and green production, into our supply chain management system and going

ANTA VALUE • WIN-WIN COOPERATION

forward give preference to suppliers with excellent ESG management performance.

Furthermore, to enhance engagement and communication with suppliers, we organize seminars on a regular basis, and invite suppliers to participate in outdoor activities with us to build mutual trust and support, achieving win-win collaborations. During the financial year, our supplier management department hosted a supplier assessment seminar, and evaluated the capabilities and potential of each supplier.

Strengthening Supplier Training

We continuously drive the improvements of our supplier management capabilities, encourage suppliers to obtain more certifications, improve their performance in terms of environment, governance and quality, and stride forward side by side with us on the path to sustainability. During the financial year, we provided various training to suppliers, including social responsibility training, integrity and self-discipline training, quality verification training, pre-production risk verification training, evaluation engineer training, chemicals safety training, and other professional technical training. The main focus of the trainings was to improve the suppliers' professional technical capabilities and digital capabilities. Detailed improvement measures were formulated for suppliers with relatively weak capability to improve their management capability.

Supplier Labor Management

To improve the labor management of suppliers, we require suppliers to adhere to ten basic requirements, including compliance with operational standards, respect for labor rights and interests, and protection of employees' occupational safety, health and well-being. We encourage suppliers to improve supply chain efficiency and reduce labor risks through measures such as craftsmanship improvement or equipment upgrade.

- Personnel management system: We require our suppliers to sign employment contracts with all their full-time employees, and sign service contracts with their interns and temporary employees, alongside the signing of confidentiality agreements.
- Social responsibility management system: Suppliers should have working hour and salary management system in place, and encourage their employees to actively obtain competency certification for career development.
- Prohibition of child labor: Suppliers should require their employees to provide proof of age prior to employment to ensure they meet local minimum working age requirements and to prevent the use of child labor.
- Prohibition of forced labor: We require our suppliers to closely monitor their employees' working hours compliance, respect their rights to enter, depart and take leave freely; suppliers should be firmly against forced labor.
- Anti-discrimination: We require our suppliers to treat all employees equally, and offer consistent treatment in terms of employment, salary, other benefits and promotion opportunities irrespective of their social status, and protect the job opportunities of pregnant employees and care for working mothers.
- Working hours: We require our suppliers to record actual working hours of employees and provide them with corresponding salary.
- Disciplinary measures: We require our suppliers to establish and promote a labor code of conduct to prohibit and prevent violations of laws and regulations such as corporal punishment, coercion, exploitation, and sexual coercion.
- Remuneration and benefits: Suppliers should pay full salary to employees, ensure their salary is not lower than the local minimum standard, and guarantee that employees are entitled to statutory holidays and leaves. We require our suppliers to provide endowment insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund to their employees.
- Health and safety: We prohibit our suppliers from constructing three-in-one factories with work areas,

warehouses and quarters; suppliers should ensure that different types of premises are equipped with proper temperature, light and ventilation; we require our suppliers to maintain the safety and hygiene of canteens, quarters and factories; suppliers should ensure that all operating premises are legally permitted; suppliers should formulate and request employees to strictly comply with safety rules and regulations as well as safety operation guidelines; we require our suppliers to equip their employees with the necessary safety supplies; we require our suppliers to regularly inspect their work environments and equipment safety; suppliers should organize safety training and emergency drills to ensure the health and safety of their employees.

- Complaints and communication: Suppliers should provide effective channels for employees' complaints and feedback, and improve the whistleblowers protection mechanism and formulate whistleblowers protection measures against retaliation.

Based on our audit results, we rank the performance of our suppliers as "Good Operation", "Low Risk Problems", "Medium Risk Problems", "High Risk Problems" and "Zero Tolerance Problems". We require suppliers with low, medium and high risk problems to complete rectification within a prescribed period of time to ensure that they can provide sound products and services consistently and steadily. We impose penalties on suppliers that fail to meet the standards through reducing orders

or terminating cooperation. Suppliers that have "Zero Tolerance Problems" will be terminated immediately.

Supplier Integrity Management

We attach great importance to integrity and honesty in the course of our procurements within our supply chain. We incorporate integrity clause into the cooperation agreement, provide channels for complaints and whistleblowing, and educate suppliers on integrity in daily communication and through training sessions to improve their integrity and anti-corruption awareness. We adhere to supervising and managing the integrity of our suppliers and distributors, and we blacklist and terminate cooperation with suppliers that violate integrity clause.



KEY PERFORMANCE INDICATOR IN 2021



Suppliers' signing rate of the "Code of Conduct" was **96.6%**



ANTA VALUE • WIN-WIN COOPERATION



Supply Chain Risk Management

We are fully aware of the importance of supply chain stability to production operations. Climate change, droughts and other natural disasters pose risks to the environment and society, and cause raw material price fluctuations, resulting in operation disruption and stability of the supply chain. Therefore, we established a supply chain risk management mechanism to mitigate uncertainty in the supply chain caused by complex environmental and social factors.

RISK IDENTIFICATION AND MANAGEMENT

- Policy and legal risks: With China's further promotion of the dual-carbon goals, we face higher requirements for energy conservation and emissions reduction. We proactively examine and identify high-carbon, high-polluting components in our supply chain
- Extreme weather risks: Identify and assess the potential impacts of typhoons, rainstorms, etc. on our supply chain
- Social risks: We continuously monitor supply shortages and disruptions that may be caused by social issues, such as labor disputes and human rights issues, which pose additional risks to the sustainability of sourcing activities
- Risk management: After identifying the risks, we will manage the relevant risks. For example, we have increased the number of suppliers in different regions to reduce the negative impact of extreme weather in the same region

Promoting a Green Supply Chain

In response to the national development trend of utilizing lightweight, de-plasticized packaging materials, we continuously encourage suppliers to join us in building a green supply chain, promote the application of green packaging, and strengthen the independent R&D of core technologies. This helps promote the green transformation and upgrade of the supply chain to improve the value chain and ensure supply chain security.

Sustainable Sourcing

We are continuously committed to promoting the quality and standards of sustainability in the industry, and take them as the key areas of our innovation. We proactively explore sustainable raw material sourcing and give preference to suppliers that have obtained relevant international standards and certifications. We have cultivated global sourcing capabilities with global resources, built a mutually beneficial win-win supply chain cooperation system, and strengthened international cooperation along the supply chain.

Raw Material Traceability

To ensure that product quality risks are monitored throughout the process, we have formulated and established a raw material traceability management mechanism with a phased approach adopted, including traceability of recyclable yarns using the trace element

method. To ensure the effectiveness of raw material traceability, we continue to improve the management mechanism to achieve the traceability goal to cover the entire production process from raw materials to products delivered to consumers. We also continue to formulate strict traceability scope, time and evaluation standards based on the characteristics of products and raw materials to ensure that every procedure is accurate.

Promoting Industry Development

Over the past 30 years, we have continuously invested in technological innovation and R&D, forming a triple R&D model that comprises forward-looking R&D with the Group's global resources, pragmatic R&D that leads to rapid transformation, and industry-university R&D cooperation integrating social and academic resources. As a pioneer in industry development, we have explored the possibility of even more breakthroughs with our business partners by exploring industry cooperation, strengthening industry exchanges, and participating in innovative cooperation models.

- Developing diverse cooperation channels: we have developed diversified cooperation channels. We worked with international suppliers, such as DuPont and Dow Chemical Company, to jointly develop cutting-edge sports materials and technologies. Technological innovation has enhanced our sustainable development capabilities

and promoted the industry's technological progress and the further development of the entire Chinese sports industry.

- Promoting industry-university R&D cooperation: we have developed profound cooperation with well-known domestic universities and other higher education institutions. We focus on investment in fundamental disciplines in R&D and innovation, and have continued to dive deeply into sports technology R&D and innovative design. We established China's first accredited sports science laboratory in the industry. Through industry-university R&D cooperation, we have strengthened the cooperation and launched dozens of sole and fabric technologies to improve the sports performance of global consumers, creating ANTA's significant differentiated competitive advantage. During the financial year, we joined hands with Tsinghua University to have established the "Tsinghua University-ANTA (China) Co., Ltd Joint Research Center for Sports Fashion". The center is committed to building a world leading innovation platform for the sportswear industry by leveraging the resources of Tsinghua University's multi-faculty and interdisciplinary experience. It helped Chinese sportswear brands to drive growth and to achieve global recognition via the integration of innovation in sports technology R&D and market transformation.

HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES



Material ESG issues addressed in this chapter

- Staff welfare
- Human rights and labor rights
- Diversity and inclusion
- Health and safety
- Staff development and training

Employees are the cornerstone of the enterprise's long-term development. We regard talent as the most valuable aspect of our core competitiveness, respect the fundamental rights and interests of our employees, and are committed to creating an equal, inclusive, healthy and safe working environment. We are committed to building a training system for diversified talent development, we attach importance to employee growth, and we strive to create a better future with them.

Labor Management

Employment Compliance

We strictly abide by the "Labor Law of the People's Republic of China", the "Labor Contract Law of the People's Republic of China", "Regulations on the Prohibition of Child Labor", and other laws and regulations on labor and employment. We have developed internal management policies, such as the "Social Recruitment Recommendation Management Policy" to standardize recruitment management processes such as job opening, interview screening, and offer approval. These protect our employees' labor right as well as other fundamental rights and interests under the laws, resulting in fair and compliant employment, as well as sound and stable employment relationship with our employees.

Salary and Benefits

Salary and Performance Appraisal

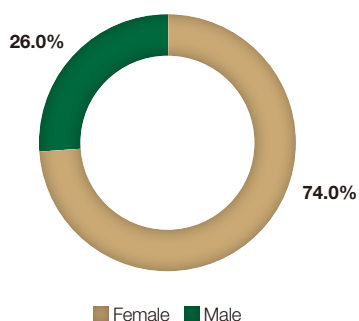
We are committed to offering fair, reasonable and competitive salary package and benefits. We have established the "Social Recruitment Recommendation Management Policy" and a value-contribution based performance management mechanism, so as to drive employees' enthusiasm and proactiveness on all level, maximize employees' personal value realization, incentivize talents through the compensation and performance mechanism and continuously attract and retain quality talents both internally and externally.

KEY PERFORMANCE IN 2021

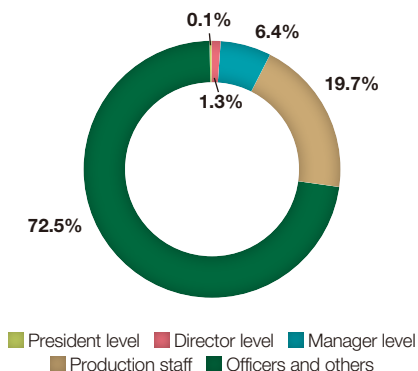


We had approximately **52,000** employees. The Group's male and female employees accounted for **26.0%** and **74.0%** of total employees respectively, and female executives accounted for **34.7%** of total executives

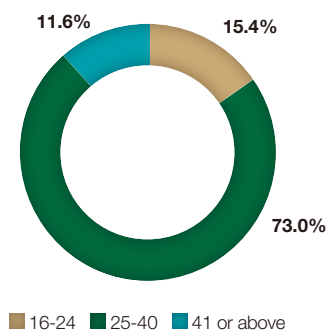
Percentage of Employees by Gender in 2021



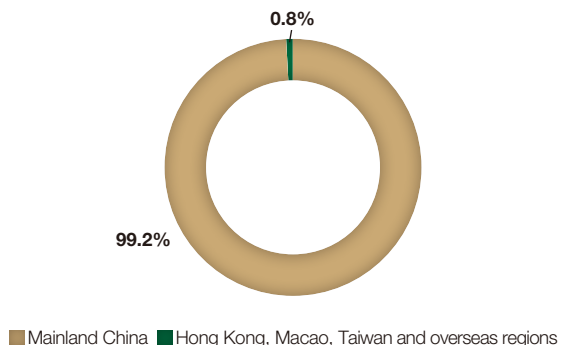
Percentage of Employees by Rank in 2021



Percentage of Employees by Age in 2021



Percentage of Employees by Region in 2021



We continuously implement our scientific and effective performance appraisal model. Based on the characteristics of each position and our business development, we formulate management policies such as the “Individual Performance Management Policy”, “E-commerce Store Personnel Performance Management Regulations”, “Group Retail Regional

Office Personal Performance Management Policy”. We have clearly standardized the performance management of employees in various positions and implemented a monthly and semi-annual performance-evaluation mechanism. We use employees’ personal performance and departmental organizational performance as the

basis for performance scoring, and correspondingly distribute performance bonuses as an incentive mechanism, so as to encourage and guide employees to achieve innovative breakthroughs while also attaching importance to making contribution to organizational development.

HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES

We abide by the minimum wage requirements, and make appropriate adjustments to our employees' salary and benefits annually according to the market salary level and performance results. We also constantly improve the salary incentive policy and employee benefits, protect our employees' basic rights and interests, and fulfill our commitment to care and respect for our employees. Focusing on the long-term development and governance, we established a share award scheme for senior executives to help create a corporate atmosphere of aligned value and responsibility undertakings.



Benefits

Statutory benefits	Basic benefits	Special benefits
<p>In accordance with national and local regulations, we provide our employees with:</p> <ul style="list-style-type: none"> • Statutory holidays and leave • Leave entitlement: sick leave, work-related injury leave, personal leave, marriage leave, bereavement leave, maternity leave, paternity leave, breastfeeding leave, annual leave, leave in lieu, etc. • Social insurance, including basic endowment insurance, medical insurance, unemployment insurance, work-related injury insurance, and maternity insurance • Housing Provident Fund • Other statutory employee benefits 	<p>All employees are entitled to:</p> <ul style="list-style-type: none"> • Gifts for major festivals 	<p>Some employees are entitled to:</p> <ul style="list-style-type: none"> • Supplemental medical insurance • Staff quarters • Housing allowance • Share award scheme



Talent Acquisition

An extensive pool of talents is the driving force of our development. According to our corporate strategies and characteristics of various job vacancies, we continuously improve the recruitment management system, standardize the recruitment processes, and capture industry elites through multiple channels, such as campus recruitment, lateral hire, executive search firms, and employee referrals, resulting in efficient and accurate talent recruitment that strengthens our talent echelon buildup. We attract capable individuals with great potential and competency to join the Group through talent fostering programs, such as the “Star Program”, and “Champion Class”, and continuously expand our talent pool to ensure the Group’s high-quality development. In addition, based on our business needs,

department planning, and supply and demand in the talent market, we prioritize localized recruitment and actively create employment opportunities for local communities.

Respecting Human Rights

Prohibition of Child Labor and Forced Labor

As a member of the United Nations Global Compact, we follow “Universal Declaration of Human Rights” of United Nations and the “International Bill of Human Rights” to fully protect the legitimate rights and interests of our employees. We strictly prohibit all operating units from employing child labor or any form of forced labor.

We strictly comply with all national and local laws and regulations. We have signed employment contract with

employees. We have strengthened our employment compliance management, and require our prospective employees to provide identity documents before onboarding to ensure that they have reached the minimum working age required by local law.

Internally, we promote human rights awareness among our employees and allow them to understand their rights and possible infringement of other employees’ rights through the “Employee Handbook”. In the event of any case of child labor, we will immediately stop the work of the employee involved, conduct a health check, and report the case to relevant authorities for further investigation. Once child labor is confirmed, we will pay the full amount of their salary and send them safely to their family or guardian. Externally, we strictly monitor the human rights protection of our suppliers, and warn and punish them if they violate relevant regulations.



KEY PERFORMANCE IN 2021



We had **no cases** of illegal employment, child labor or forced labor, or human rights complaints

HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES

We joined the United Nations Global Compact during the financial year, fulfilling our basic responsibilities related to human rights and labor standards, and respecting and safeguarding all internationally recognized human rights. We pledge never to participate in any behavior that ignores or tramples human rights, and proactively eliminate all forms of forced labor and any form of discrimination.

Diversity and Inclusion

We attach great importance to diversity, promote a corporate culture of respect, inclusiveness, and openness. As our “Employee Handbook” explains, there must be no discriminatory treatment in recruitment, salary, promotion or development of employees based on gender, age, religious beliefs, nationality, complexion, race, sexual orientation, marital status, or other social identity. We undertake to uphold the principles of legality and openness, treat every employee fairly and justly, protect employees against harassment including physical, verbal, sexual or psychological, abuse or threats, and promote the construction of a corporate culture of diversity and inclusion. To assist foreign employees to adapt to life and work in China, we have a bonus incentive mechanism to encourage them to learn Chinese and arrange them to take the national standardized Chinese proficiency test.

Employee Communication

We attach great importance to employees’ feedback, attentively listen to their views, and provide effective communication channels for employees. We facilitate communication between the Group’s management and general staff through the intranet, WeChat and ANTA Forum. We understand employees’ needs, provide timely feedback and assist in solving difficulties, protect their rights and interests, and continuously enhance employees’ satisfaction and sense of belonging.

In addition, we provide effective channels for employees to complain and express views. We take necessary measures to protect the legitimate demands and rights of whistleblowers, encouraging employees to file complaints using real names or anonymously through online and offline platforms, such as mailbox, hotline, and the official WeChat account named “ANTA Integrity”.



KEY PERFORMANCE IN 2021



We appointed a third-party agency to conduct an employee satisfaction survey. The satisfaction rate was **73%**

Occupational Health and Safety

Production Safety Management System

We regard production safety as a top priority for business management, ensure that our business operations comply with all regulatory requirements, and strictly abide by the “Law of the People’s Republic of China on the Prevention and Treatment of Occupational Diseases”, “Production Safety Law of the People’s Republic of China”, “Regulations on Work-Related Injury Insurance”, and other national laws and regulations. We continually improve and streamline the production safety management system, establish a production safety management structure, define the main components of each level, implement a production safety responsibility system, and ensure safe production. In addition, we received GB/T 45001-2020/ISO 45001:2018 occupational health and safety certification and production safety standardization tertiary enterprise certification.





To achieve the safety goal of “Zero Casualties”, we strengthen hazard prevention and control, conduct annual monitoring of occupational disease hazard factors and complete workplace occupational disease hazard filings. We also organize monthly safety inspections in production areas, and regularly inspect and maintain production facilities and the use of equipment by our employee. We further introduce automated technology equipment to reduce work safety accidents, so as to eliminate hidden production safety dangers.

If there is a production safety accident, we follow the “Regulations on Work-Related Injury Insurance”, classify the accident according to its

nature, severity, and scope, and follow the accident-handling procedure. The relevant department provides accident investigation report to the Human Resources Department. The Administrative Department then handles the case and holds relevant persons accountable according to the investigation results.

During the financial year, we had no incidents of violation of occupational health and safety laws and regulations. The number of workdays lost due to work-related injuries was 4,813 and there were no incident of workplace fatalities from 2019 to 2021¹.

Safety Training and Drills

As the Group is growing, we also pay attention to our employees’ occupational health and safety. We have clearly defined occupational safety management responsibilities. Through regular safety training and drills, we have strengthened our employees’ ability to deal with safety emergencies, and we provide them with personal protective equipment for various types of jobs to reduce the risk of occupational diseases and injuries and to ensure the health and safety of all employees, in order to create a safe and comfortable work environment. During the financial year, 319 health and safety training sessions were conducted in Jinjiang during the financial year, with a total of 7,897 training hours, 3,195 participants and a coverage rate of 96%.

¹ Data obtained from the Group’s Human Resources Department, verified by local authorities for workplace fatalities.

HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES



Safety Precautions

We provide employees with personal protective equipment and first-aid facilities required for their work, including noise-proof earplugs for apparel-production staff, dust-proof protective clothing for employees working in the down filling room, wire gloves for employees who do fabric cutting, and eyewash in the factories. We also invested a lot of manpower and resources in epidemic prevention and control. We distributed epidemic prevention materials to employees, required employees to wear masks, measured their body temperature before entering the factories, and regularly disinfected the factories. We implemented the normalized management of epidemic prevention for the health and safety of the industrial park to ensure safety, and orderly and normal operations.

Building Safety Culture

We regard "Safety Culture" as part of the foundation of enterprise production safety management. We continuously promote our corporate culture on safety, improve employees' safety awareness and responsibility, and strengthen the concept of safety first through special production safety activities, such as a fire safety knowledge contest and a women's health promotion conference.

Safety Training and Education

We attach great importance to employee health and safety training, and conduct targeted safety education according to the job requirements for each position. We regularly organize safety training, such as three-level safety education, work-related injury prevention training, and introduction to machine operation specifications for new employees to

improve their safety supervision and management capabilities. Besides, we set up warning signs in places with potential occupational hazards and conducted health and safety promotion in all production units through posters, banners, and slogans to promote the overall improvement of the health and safety awareness of all staff.

Safety Emergency Drills

We carry out fire safety emergency evacuation drills annually in accordance with the annual plan and continuously supplement and improve the emergency plans, such as emergency response and control during typhoons and rainstorms, and epidemic prevention according to the actual situation.

Employee Development and Training

Training System

To ensure the long-term development of the enterprise, we adhere to our original intention of “ANTA Army Cultivation”. We have invested a lot of resources to build an employee training system, broaden the headroom for employee development, and continue to build a talent pool that can adapt to our business development needs.

We set up the ANTA Talent Academy as an employee-training platform. Our comprehensive training system provides diversified training for employees at all levels, enriches the depth and breadth of training, and supports our employees’ career development. We formulated a number of training policies, such as the “Training Operation Management Policy”, “ANTA Fresh Graduate Training Management Policy”, and “Lecturer and Textbook Management Policy”, to clearly define the training operation

process and lecturer responsibilities, and establish a sound training management mechanism. Our various business lines established training policies, such as the “Retail School Recruitment Management Trainee Training Policy”, and other internal business training policies based on characteristics of job functions and business needs to consolidate employees’ business foundation and develop their professional skills, in order to achieve our talent pool build-up as underpinned by our employees’ job-function-specific expertise.

Talent Cultivation System

Our ANTA Talent Academy adopts online and face-to-face training based on rank and job duties. According to vertical level and horizontal capability, we build a talent training system based on talent features, leadership and professionalism, and continue to build a training program for employee career development.

Special Skills Training

We believe that “Professionalism” is part of the core competitiveness of an enterprise in the footwear and apparel

retail industry, and we continuously devise relevant professional skills courses orbiting key positions. By sorting out the workflow, required professional skills and characteristics of key positions, the ANTA Talent Academy creates training programs for employees in four dimensions, namely merchandise power, brand power, production power, and retail power.

We cooperated with Tsinghua University to launch the “Tsinghua-ANTA” champion talent-cultivation program. The training program, which is based on the joint cultivation model “School-enterprise co-creation led by CEO”, creates in-depth experiential learning through training programs such as business classrooms, expansion and integration, inter-disciplinary learning, business simulation, case discussions, and project co-creation. It expands the international vision of our future key personnel, and develops their leadership ability, preparing them to become industry elite, who can lead Chinese enterprises to go global.

Type of training	Training program	Training positions
Special skills training	Product power	<ul style="list-style-type: none"> • Planning • Design • Product operations • Technology and engineering
	Brand power	<ul style="list-style-type: none"> • Brand promotion
	Production power	<ul style="list-style-type: none"> • Craftsmanship • Materials • Pattern
	Retail power	<ul style="list-style-type: none"> • E-commerce store manager • Retail management • Retail marketing

HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES



Credentials and Skills Enhancement

We encourage employees to obtain academic qualifications and external professional skills certification through continuing education and actively conduct school-enterprise cooperation with universities to provide undereducated factory employees with opportunities to learn and grow. We encourage employees to improve their management capabilities, and we support them to participate in MBA, EMBA, MPA and other equivalent formal education or degree education programs by sponsoring part or all of their education and training expenses to help them develop.

such as the “Promotion Management Policy”, “Group Retail Staff and Store Manager Rank Change Policy”, etc. to provide multi-dimensional career development channels for employees in offices, retail terminals and factories. We believe this will expand the opportunity for our employees’ career promotion and development.

We are committed to establishing a more concise, effective and flexible promotion mechanism. Regular promotion takes place in March and September. We provide equal promotion opportunities to all qualified employees based on their work performance, training results, and appreciation of our corporate culture. Moreover, for outstanding employees with great potential or those who have made outstanding contributions to the Group, we provide them with exceptional promotion opportunities. In addition to regular promotions, we also encourage employees to log on to our internal “Employee Career Development Platform” at any time to achieve promotion and personal development through competing for job vacancies within the Group.

ESG-themed Training

Sustainable development has become an important issue for all Chinese companies. We responded to national regulations and policies, as well as society’s expectations of industry leaders, and provided various types of ESG-related trainings. This includes cooperation with Academy of Arts & Design of Tsinghua University on the use of green materials, sustainable development design courses, and cooperation with the WWF to develop “Living Planet” reports and “Wild Animal Protection” courses to strengthen a talent foundation for sustainable development. During the financial year, our learning platform launched four courses relating to anti-corruption issues and provided courses in English for foreign employees.

Promotion Mechanisms

To promote the identification, appointment and development of talents, we set up internal promotion policies,



KEY PERFORMANCE IN 2021



Percentage of
employees trained:

79.7%

Caring for Employees

Aiding underprivileged employees

We care for underprivileged employees and their families. To effectively aid them in tackling their difficult situation and extend our care to them, we identify the needs of underprivileged employees and provide our support in a timely manner, so as to promote harmonious

atmosphere featuring mutual help and support and enhance our corporate solidarity. During the financial year, the Fujian Hemin Charity Foundation set up by the founder family deployed a total of RMB1.94 million to assist employees in need. Initiatives included visiting and consoling underprivileged employees' families, subsidizing their children, and aiding sick employees and their families.

Promoting a Healthy Work-life Balance

We adhere to people-oriented principles. We attach importance to our employees' growth and development as much as we care about their well-being. We provide a variety of caring activities and support their pursuit of a healthy work-life balance.

- Housing support: We provide staff quarters for employees and family suites for married employees. We help specific employees in need with mortgage assistance through the "Sweet Home Plan".
- Child care service: Child care centers have been established in certain factories to provide commuting and child care services for employees' children.
- Caring for women: We set up "Caring Nursery Rooms" for working mothers, which are equipped with nursing chairs and refrigerators. We also regularly distribute sanitary products to female employees, and arrange female employees to participate in gynecological check-ups.
- Health guarantee: We provide employees with personal protective equipment required for their daily work. We have regular employee production safety promotion programs. We provide all employees with annual health check-ups and medical insurance through the "Worry-free Medical Plan", and carry out "Two Cancers" screening for female employees every year.
- Anti-epidemic care: We encourage employees to get vaccinated, and regularly distribute masks and other anti-epidemic materials to office employees. We conduct regular cleaning and disinfection in the office areas and provide employees with mental health counseling services, if needed.



PROMOTING A GREEN ENVIRONMENT



Material ESG issues addressed in this chapter

- Climate change
- Sustainable raw material sourcing
- Use of packaging materials
- GHG emissions
- General waste discharge
- Waste gas emissions and waste water disposal
- Use of energy
- Use of water resources

We continuously attach importance to environment protection and the pursuit of ecological civilization, and we are committed to incorporating sustainable development into corporate activities and decision-making. We continuously promote green product design, packaging-reduction projects, and sustainable logistics. We also promote environmental impact control throughout the entire process, from production and operations to retail products to save energy and resources and reduce emissions and waste. We proactively promote green office operations and conduct various employee activities to enhance the environmental awareness of our employees and their families.

Combating Climate Change

Low-Carbon Management

Climate change has become the biggest global challenge. We have proactively responded to China's goal of achieving carbon neutrality by 2060, work with our upstream and downstream partners to tackle climate change, and are committed to achieving carbon neutrality by 2050. We proactively disclosed our GHG emissions performance for seven consecutive years, and are committed to reducing our GHG emissions. While rapidly expanding our business, we have continued to strengthen our carbon footprint management. With our carbon intensity decreasing year by year, we

are leading the green, low-carbon, and circular development of the industry.

Combating Climate Change Risks

We are committed to working with our upstream and downstream partners to address climate change risks in accordance with the SDGs of the United Nations. We are committed to addressing climate change-related risks, and we plan to conduct a group-wide climate change risk management and materiality assessment to identify and assess climate risks. In addition, we have emergency plans for extreme weather and natural disasters, such as typhoons and earthquakes, to ensure the stability of production and operations.



Product Carbon Footprint

We rolled out environmentally friendly shoes made with degradable or recyclable materials and incorporated environmental concepts more thoroughly into the process of product design, production, R&D, and manufacturing. Consumers can enjoy stylish sports outfit while engaging in the eco-friendly lifestyle and attitude that we advocate, thus enriching our brand value.

Green Design

We attach great importance to the development of environmentally friendly products and incorporate environmental protection concepts into the product design process. We have actively replaced non-recyclable raw materials with degradable materials and bio-based materials, and strive to reduce our environmental impact. We use environmentally friendly materials, such as DuPont SORONA, regenerated cellulose fiber, recycled yarn and fiber for apparel and shoes production to create sustainable sports products. Our shoe products use water-based glue instead of oil-based glue, thus reducing the use of hazardous chemicals and the impact on our production workers' health and the environment. In addition, we have developed new materials to promote sustainable development with innovative technology. During the financial year, FILA launched 618 themed environmentally friendly shoes. The upper textiles and leather

Packaging material consumption² (ton)



materials contain environmentally friendly materials, and the shoebox materials are composed of 100% Forest Stewardship Council certified paper.

Sustainable Packaging and Logistics

Sustainable Packaging Materials

We promote the transformation to sustainability in terms of our packaging materials, and have alleviated the distress over resources and the environment during production. We also promote recycling and conduct R&D on degradable packaging materials.

Packaging reduction

Throughout the process from production to sales, we proactively reduce the use of packaging materials:

- We use crates for internal circulation in the factories to minimize the use of tags and packaging.
- We reduced the number of tags.
- We reduced the use of isolation paper for apparel packaging.
- We improved in-store displays to reduce the use of packaging material.

Environmentally friendly materials

We use environmentally friendly materials, such as recyclable or recycled materials, to reduce the amount of plastic packaging materials:

- We use degradable paper or recycled paper as shoe packaging and do not use plastic bags for 99.9% of our shoe products.
- We use environmentally friendly wax rope instead of transparent buckles, recycled polyethylene material moisture barrier bags and polyethylene tape.
- We use food-grade packaging to improve the quality and safety of our packaging materials.

Green Logistics

We have explored various ways to achieve green logistics and are committed to reducing our carbon footprint from raw materials and product distribution. We comply with local laws and regulations, have formulated relevant internal policies, and have built a green logistics system. We are gradually replacing our fuel vehicles with electric vehicles in our logistic center.

² The adoption of the "Operation Control Method" and the expansion of statistical scope of the types of packaging materials used in 2021 (including all types of packaging materials used in finished products) have led to an increase in the total volume.

PROMOTING A GREEN ENVIRONMENT

Green Production

We abide by national laws and regulations and have formulated and abide by rigorous management systems. We have exerted a significant effort to reduce environmental pollution and have implemented a variety of green environmental protection measures in the production process, including classifying waste and saving on resources. We set up a management system according to the ISO 14001 standard. So far, ANTA (China) Co., Ltd., Shangqiu Anta Shoes Co., Ltd., and Xiamen ANTA Sports Goods Co., Ltd. have received the ISO 14001 environmental management system certification.

Emissions and Waste

Emissions Management

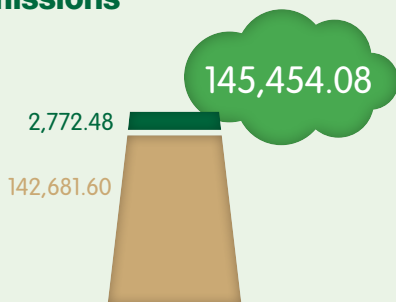
We formulated relative policies to manage emissions, and conducted regular inspections of our waste water, exhaust gas and noise to ensure compliance with emissions regulations. During the financial year, we were not subject to any environmental or ecological-related fines.

We have implemented effective measures to achieve green production, including proactively controlling the environmental impact from the production process and reducing the

generation and emissions of dust and other pollutants:

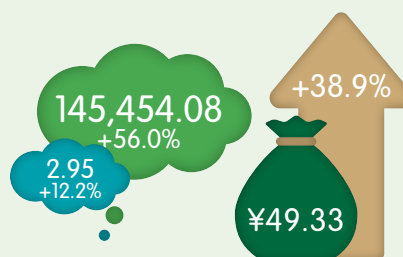
- We used fully automatic anti-splashing equipment and replaced manual production with mechanical arms. We deploy coating in a closed environment to contain the spread of chemicals
- Electric engraving machines were equipped with a pulse-jet collector to reduce dust pollution
- We had a new cutting waste recycling device, which uses innovative liquid nitrogen cryogenic grinding technology, which fully recycles waste and greatly reduces dust in our factories

GHG emissions



- Scope 1 Direct GHG emissions³ (ton of CO₂ equivalent)
- Scope 2 Indirect GHG emissions⁴ (ton of CO₂ equivalent)

Revenue and GHG emissions



- Revenue in 2021 (RMB billion)
- Total GHG emissions (ton of CO₂ equivalent)
- Total GHG emission intensity (ton of CO₂ equivalent / Revenue per million RMB)

³ Scope 1 greenhouse gas emissions are mainly from direct greenhouse gas emissions from fossil fuel consumption (such as gasoline, diesel, natural gas) during operation / production process and the refrigerants emission. The formula used to calculate the main greenhouse gas emissions from fossil fuel consumption: CO₂ emissions from fossil fuel combustion = fuel consumption x low level heat generation x carbon content per unit calorific value x fuel carbon oxidation rate x 44/12, while the calculation of refrigerant emissions data refers to HKEX "Appendix II: Reporting Guidance on Environmental KPIs".

⁴ Scope 2 greenhouse gas emissions are mainly from indirect greenhouse gas emissions generated from purchased electricity and steam consumed in the Group's operation/production process, calculated with reference to HKEX "Appendix II: Reporting Guidance on Environmental KPIs". The electricity emission factor for 2021 is adopted from the "Guidelines on Enterprises Greenhouse Gas Emissions Accounting and Reporting – Power Generation Facilities" (Huanban Qihou [2021] No. 9). The grid emission factor of 0.5810 tCO₂/ has increased due to the adoption of the "Operation Control Method" and the expansion of statistical scope of data, resulting in an increase in the scope 2 emission data for 2021.

We have been flourishing for the past 30 years and we have made remarkable achievements, not only on business and financial performance, but also protecting green environment. We continue to minimize the impact brought to the environment and operate under effective environmental protection measures. During the financial year, our revenue reached RMB49,328 million, representing an increase of 38.9% as compared to that of 2020, while the total greenhouse gas emission intensity (ton of CO₂ equivalent/revenue per million RMB) increased by 12.2% to 2.95 tons of CO₂ equivalent as compared to 2020. During the financial year, we expanded the scope of data statistics and adopted the “Operation Control Method” to collect and calculate the environmental data, without converting the data of each enterprise according to the shareholding ratio. We adopted the “Equity Ratio Method” to convert the overall data according to the shareholding ratio in 2020 and before. Therefore, the greenhouse gas emission data recorded increase in 2021 compared to 2020.

Volume of waste production



Waste classification and treatment measures

- Recyclable waste: wastepaper and scrap metal to be centralized at collection points then classified and passed to relevant departments for recycling
- Non-recyclable waste: domestic and engineering waste to be stored in designated trash cans or places for regular collection by relevant departments
- Hazardous waste: to be centralized at collection points and treated by qualified third parties with strict control and supervision of recycling and disposal

Waste Management

We abide by our “Waste Management Policy”, “Waste Management Regulations”, “Hazardous Waste Management Policy” and other internal policies and guidance and clearly define the responsibilities of all departments. We classify and manage waste in the production process, and keep complete records of the process. We conduct general or key controls over our waste recycling partners, depending on the circumstances. We communicate our environmental policy to them, obtain their waste recycling and treatment results, and follow up when necessary.

⁵ Hazardous waste data are obtained from the disposal volume of hazardous waste of the Group’s production enterprises, of which the data for 2021 covers relevant data of Quanzhou Athletic Shoes & Garments Company Ltd., Henan ANTA Material Supply Co., Ltd., and ANTA (China) Co., Ltd..

⁶ The data of non-hazardous waste in 2021 are from domestic food waste (except for Fujian ANTA Logistics Information Technology Co., Ltd. and self-operated stores) and general industrial solid waste disposal (non-recyclable) of all production enterprises of the Group. The adoption of the “Operation Control Method” and the expansion of statistical scope of data resulted in an increase in the data of non-hazardous waste.

PROMOTING A GREEN ENVIRONMENT

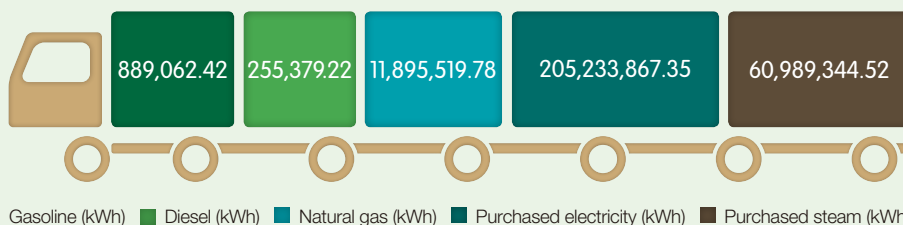
Energy Management

To promote the conservation and rational use of energy, and maximize energy efficiency and economic benefits, we formulated internal management systems, such as the “Energy Conservation and Emissions Reduction Management System”. We determined specific energy-saving measures in the production process, and assigned responsible persons to inspect and supervise the implementation of daily energy-saving measures.

Energy-saving measures

- We purchase electrical equipment with energy-saving labels
- We conduct frequent inspection on power lines and equipment, and take immediate steps to reduce unreasonable power consumption and power loss
- We use high-power energy-saving lamps for lighting. Automatic switching provides sufficient lighting, reduces the number of lamps used, adjusts the lighting time, and turns off the lights automatically when not in used. They are inspected by special personnel
- We strictly manage the use of air conditioners and elevators, and open them only when needed

Energy use performance



Energy Efficiency-improving Measures

- We scrap old vulcanization equipment with high energy consumption, replacing with low energy consumption equipment
- We optimize the splat-quenching design of some molds to shorten the quenching time by 40% to improve energy efficiency
- We optimize the rapid heating design of some molds to shorten the rapid heating time by 40% to improve energy efficiency
- We introduced automatic footwear-making equipment, including filmless bottoming machines, automatic rotary sand sieving machines, automatic drying machines, automatic secondary mold wedge forming machines, automatic small foaming machines, and automatic hydraulic rubber press machines
- We use automatic paperbox-folding machines

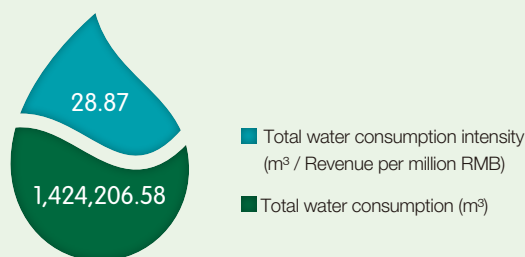
Water Resources Management

We issued “Measures for Industrial Park Cost Savings “ and a “Letter on Energy-saving, Consumption Reduction and Safe Production in the Industrial Park”, which stipulate detailed measures for reducing water use in the production process, and ensure their implementation through an inspection system.

Water Resource-saving Measures

- We renovated the boiler return water piping system to recycle steam boiler water
- We inspect the plumbing equipment daily to prevent water pipes from dripping, leaking and bursting that would result in equipment damage
- We sink filled-up bottles into the flushing water tanks in the factory toilets to take up volume and reduce the amount of flushing water needed
- We use moderate size faucet valves to prevent the waste of water resources

Water consumption performance



Green Advocacy

We formulated the “Office Management Policy” to regulate the use of energy resources in the office areas and promoted a number of green office measures.

Green Office Measures

- We established a regular inspection system in public areas and conduct safety hazard inspections to ensure low per-capita energy consumption
- We posted guidelines on air conditioners and light switches to remind employees to reduce energy consumption whenever possible
- We regularly maintained our office equipment to extend the service life and improve resource efficiency
- We promoted a paperless office and implemented unified management of office stationery, such as pens, ink and paper
- We replaced some business trips with video conferences to reduce GHG emissions
- We set double-sided printing as the default setting to reduce office paper consumption

In addition to our green actions, we are committed to raising public awareness of environmental protection and cultivating their sense of gratitude for and awe of nature.

Biodiversity Conservation

We are committed to identifying and managing our business activities’ potential negative impacts on biodiversity and ecosystems in accordance with global biodiversity conservation goals and the “Nature Conservation Outline of the People’s Republic of China”.

We are working with our partners to better practice biodiversity conservation throughout the supply chain. For example, we cooperated with the WWF to focus on protecting the two endangered species, the Siberian tiger and the finless porpoise, through continuous promotion and education. We continuously attach importance to and carry out sustainable forest management and natural vegetation restoration. We are committed to creating a good environment for the return of wild animals, protecting the earth’s biodiversity, promoting the harmonious coexistence of humans and nature, and achieving global sustainable development.

We launched the “ANTA Forest” forest and landscape recovery project at the Imperial Ming Tombs Forest Farm in Beijing. Forest and landscape restoration work was performed at numerous forest lots in the area to protect biodiversity and to offset the greenhouse gas emissions, and provide landscaping for the Beijing 2022 Olympic Winter Games. During the financial year, we had no incidents that had a negative impact on biodiversity.

GIVING BACK TO SOCIETY



Material ESG issue addressed in this chapter

Social investment

Over the years, we have proactively participated in community development while promoting our production and operations and contributed to the construction of a harmonious society through various community activities. In addition to establishing a mutual aid fund for the poor, we focus on public service, such as serving the community, alleviating poverty, and helping in emergencies. We also encourage our employees to proactively participate in public welfare activities and join us in fulfilling our corporate social responsibility.

Focusing on Sports

As one of the leading sportswear companies in China, we focus on citizens' sports health. We are committed to improving the public's physical and mental health by promoting various social projects and investing resources in sports development and public health. We promote sports activities and enhance sports development in various respects by making recommendations on industry reforms, donating sports products, donation, sponsorship grants for athletes, cultivating youth education, etc.

Supporting the Olympic Games

ANTA has been a partner of the COC for 16 consecutive years, and has sponsored 22 Chinese national teams with professional sports outfit, including winter sports, boxing, taekwondo, gymnastics, weightlifting, wrestling, swimming, trampoline, etc. The strategic partnership demonstrated our efforts to proactively promote the Olympic and National spirit over the years. ANTA unveiled the "Champion Dragon Outfit", for the CSD for the Tokyo 2020 Olympic Summer Games. This was a combination of Chinese traditional culture, beauty and advanced technology, supporting Chinese Olympic athletes for the celebration on the victory podium.

Athletes' Social Interaction

As role-models for the general public, athletes are dedicated to establishing a positive image for young people. ANTA is committed to bringing the athletes closer to the general public and strengthening the positive interaction. During the financial year, China's first figure skating world champion, Chen Lu, participated in the "Winter Olympics with Me" Sturdy Growth Sports Camp. Under the professional guidance of Miss Chen, the children were able to freely experience the fun of ice and snow, and learn how to build resilience and develop a strong physique.



investment and training in “People”. We continuously intensify our efforts to build life-long learning and education systems, and strive to enable all citizens to acquire new knowledge and skills anytime, anywhere. We strive to continuously adapt to the new requirements of economic and social development, bridge the gap between higher education and high-quality employment, overcome occupational constraints, and support the healthy development of national education. We adhere to the core values of “Integrity and Gratitude” and integrate social responsibility into our corporate development strategies and cultural development, so that our dedication to public welfare responsibility can be passed on for generations.

Supporting Integration of Sports and Education

Physical education is a subject in the national curriculum. It enables students to master the basic knowledge and skills of physical education, while achieving moral education, which plays a vital role in improving the level of physical fitness of Chinese citizens. We have actively responded to the advocacy of the General Administration of Sport of China and the Ministry of Education for the integration of sports and education and are committed to the development of youth sports education.

During the financial year, we organized the “ANTA Sturdy Growth Charity Project” in our home city – Jinjiang, Fujian, and launched “ANTA Physical Education Lessons” with our partners,

which integrated the physical and mental development, growth characteristics and needs of young people to cultivate their all-around sports development. 47 students participated in the lessons, and 33 physical education teachers and ANTA volunteers received physical education teacher professional training in “ANTA Physical Education Lessons”. The training of frontline physical education teachers enhanced the professional physical education level and unleashed the teachers’ passion, thereby improving physical education quality and promoting the healthy all-around growth of young people.

Supporting Education

We have long been devoted to education and public welfare, creating greater value for society through

Public Welfare and Charity

We are dedicated to rural revitalization, caring for children, combating the Pandemic, community public welfare, biodiversity protection, etc. Through our continuous devotion to public welfare and charity, we are committed to making a better society and building a positive image.

Community Public Welfare

We are committed wholeheartedly to contributing to public welfare and giving back to society through disaster relief and community development, integrating enterprise business value and social value.

GIVING BACK TO SOCIETY



KEY PERFORMANCE IN 2021

We donated **RMB 65 million** in cash to various charities and donated sportswear worth over **RMB 270 million** (calculated at tag value)

Over the years, “Sturdy Growth Charity Project” has:



established
150 ADream Centers



trained **2,817**
physical education teachers



donated over **RMB 490 million**
worth of sportswear
(calculated at tag value)



benefited over
3.5 million students in
9,137 schools in China

We launched the “ANTA Sturdy Growth Charity Project” in 2017, jointly established with the China Youth Development Foundation and the ADream Foundation. The project focuses

on “Making Children Enjoy Happiness through Sports Activities”. It allows young people in underdeveloped areas to grow happily by products donation, moral education and sports education.

We are dedicated to integrating the sports spirit into every child’s life. With our resources and strengths, we create a more comprehensive growing environment for young people and help them form a healthy lifestyle and personality.

After the severe rainstorms in Henan province, we donated cash and sportswear equivalent to RMB50 million to the Henan Charity Network to support frontline rescue work in the affected areas and help people in those areas to rebuild their lives as soon as possible. We also provided assistance to affected staff and their family members in Henan.

Volunteer Service

As a leading enterprise in China’s sports industry, we proactively participate in community welfare and volunteer services. During the financial year, our “Volunteer Association Service Base” was officially unveiled in Shanghai, and the “ANTA Ski Camp” was launched. Ten Dream Camp volunteers served the children at the event. Our volunteers and professional teachers told the children about the origin and development of skiing, laying the foundation of professional knowledge for their skiing dreams.

PROSPECTS

– CELEBRATING ANTA SPORTS’ 30TH ANNIVERSARY, CREATING MUTUAL VALUE

2022 marks the start of a new era. We are committed to growing side-by-side with stakeholder values and putting sustainability into practice. Embarking on our new journey, we adhere to the mission to integrating the sports spirit of “Going beyond Oneself “into everyone’s daily life. We seek changes while preserving stability, put forward a new vision “To Become A Leading Multi-Brand Sportswear Group In The World”, and uphold our business principle of “Value creation through Mutualism” to create a “Mutualistic Ecosystem”. We have also established a new strategy: “Single-focus, Multi-brand, Globalization”. We will continue to dive deep in sustainable development, while growing side-by-side with stakeholder values. We drive sustainability in four aspects – consumers, partners, the environment and the society. Our basic framework for sustainable development is divided mainly into three stages: “Follower”, “Participant” and “Leader”. On the path to sustainable development, we are now in the stages of “Participant”, as we aim to respond to international initiatives and formulate long-term goals and strategies. We firmly believe that as long as we continue to develop gradually towards our goals, we will be able to become a “Leader”.

Current stage

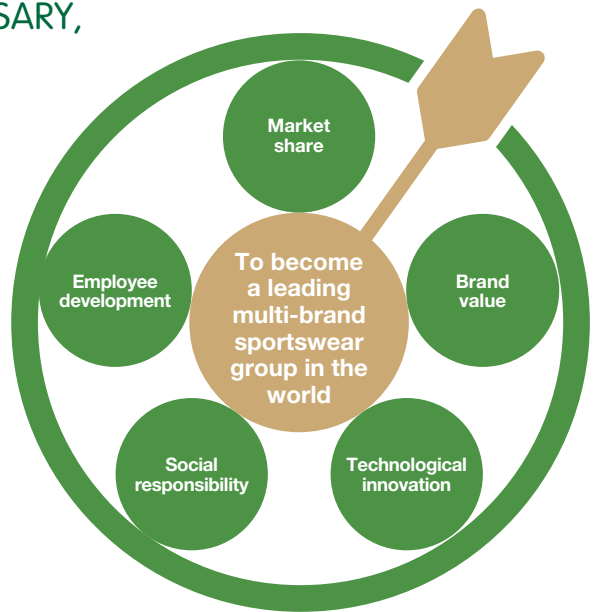


PROSPECTS

– CELEBRATING ANTA SPORTS’ 30TH ANNIVERSARY,
CREATING MUTUAL VALUE

Our new ten-year **VISION**

We seek opportunities amid change and keep moving. We are committed to “Becoming a Leading Multi-brand Sportswear Group in the World” in five areas: market share, brand value, technological innovation, social responsibility, and employee development.



Our new ten-year **MISSION**

We will continue to deepen our understanding of consumer needs and provide personalized products to integrate sports into people’s lives. To fulfill our mission to “Go Beyond Oneself”, we encourage consumers to become better individuals and accumulate experience for the Group to become a better organization so that we can contribute to society and build a better world.

Our new ten-year **STRATEGY**

Single-focus

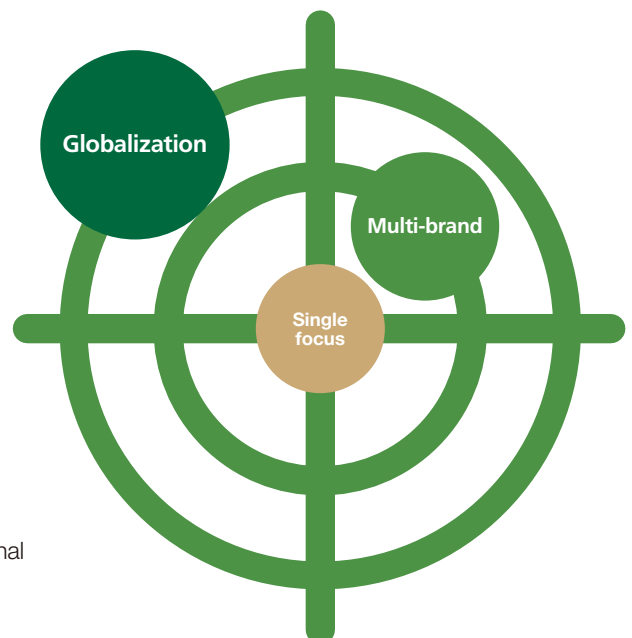
To focus on the sportswear industry and consumer value creation, to make every effort to produce quality shoes and apparel.

Multi-brand

To cater to consumers’ differentiated needs through multi-brand strategy; to create diversified consumer values; to establish an array of brands in the realm of professional sports, fashion sports and outdoor sports; to strengthen and empower a synergistic platform that underpins multi-brand development.

Globalization

To create Chinese brands with global footprints; to unleash international brands’ profound growth potential in the China market.



Our corporate value proposition

Mutualism with Eco-system Partners: Collaborating with the Industry Chain, Supporting Employees to Thrive

We appreciate the fact that only through cooperation can we achieve win-win results, and we look forward to joining hands with all stakeholders for mutual growth and progress. We regard our employees as the cornerstone of the Group’s sustainable development. We are committed to protecting the basic

rights and interests of every employee, creating a fair and just employment environment and a safe and healthy work environment, implementing diversified talent-development strategies, and providing our employees with a career platform that allows them to fully unleash their potential.

<p>Deepening mutual growth with our upstream and downstream partners</p>	<p>By 2030, we will:</p> <ul style="list-style-type: none"> • Drive more than 3,000 eco-system partners and more than 300,000 people to join our industry chain and to grow together • Form partnerships with over 100 core retail channel partners to boost the retail market prosperity as well as retail channel digitization reform through multi-brand smart retail terminals and quality service experience, so as to maintain its industry leading position
<p>Regarding employees as our most important business partners for growth</p>	<p>By 2030, we will:</p> <ul style="list-style-type: none"> • Adhere to the three core cultural propositions – “Consumer-oriented, Benchmarking with High Standard, Leading by Example” – and continue to maintain our industry-leading employment standards and work environment • Establish an industry-leading, efficient and attractive compensation system and invest more in the long-term employee incentive scheme, to promote mutual growth of employees and the Group • Provide our employees with a broad career platform and improve the global, multi-level talent team structure • Expand the “Young Talent Nurturing Program” to hire over 100,000 college and university graduates and young talents • Increase female executives (director grade and above) as a percentage of all executives to over 40% • Offer employment opportunities to the disabled and the underprivileged

Mutualism with Consumers: Creating Top-notch Consumer Values Through Multi-brand Strategy

We have insights into consumer needs and are committed to mutual growth with them. By 2030, we will build upon our “Excellent Operational Capability for Globalized Multi-brand Strategy” as our core competitiveness to create consumer value. The brands under ANTA Group will serve consumers with precise targeting to their respective markets, using three brand groups

with differentiation – Performance Sports, Fashion Sports and Outdoor Sports – to create three growth drivers.

- By 2030, we will invest an aggregate of over RMB20 billion to support proprietary R&D and innovations, to integrate and consolidate the world’s leading innovation, design, technologies, academic research and supplier resources, upgrade its global technology innovation centers,

and support the products that are “Created in China” to reach the international leading position

- Will allocate more resources and employ consumer-oriented digital transformation to build a digital platform that empowers consumer value creation and upstream and downstream partners inter-connections, improving operational efficiency to better serve consumers, organizations, society and eco-system partners

PROSPECTS

– CELEBRATING ANTA SPORTS’ 30TH ANNIVERSARY, CREATING MUTUAL VALUE

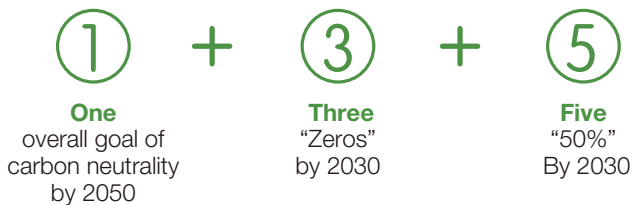
Mutualism with the Environment: Achieving Carbon Neutrality by 2050

We closely follow the national green development and carbon neutral strategy and take action to protect our home. During the financial year, we established a Sustainability Committee and continuously responded to issues such as product carbon footprint management, fighting climate change, green production, and sustainable packaging and logistics.

We set achieving mutualism with the environment as our goal.

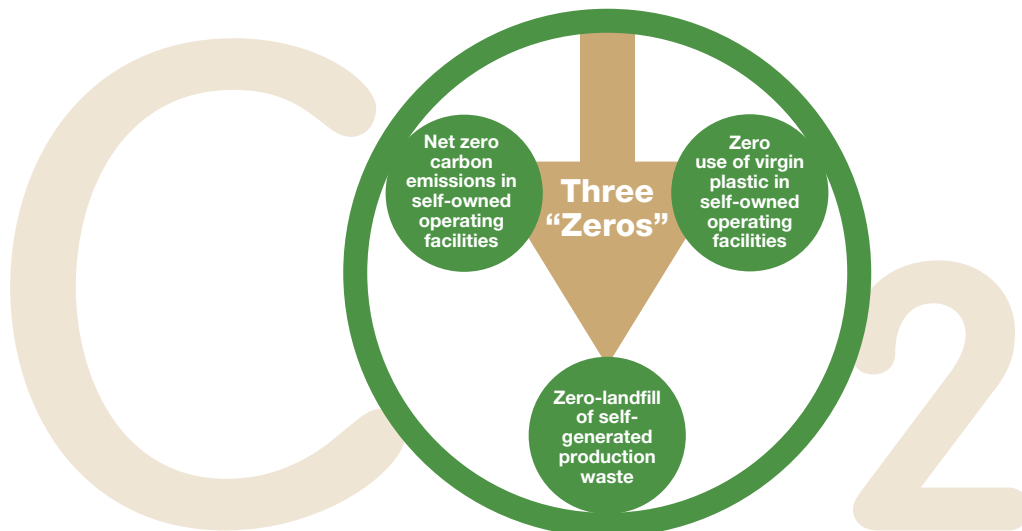
We will also actively promote the

“1+3+5” strategic goal:

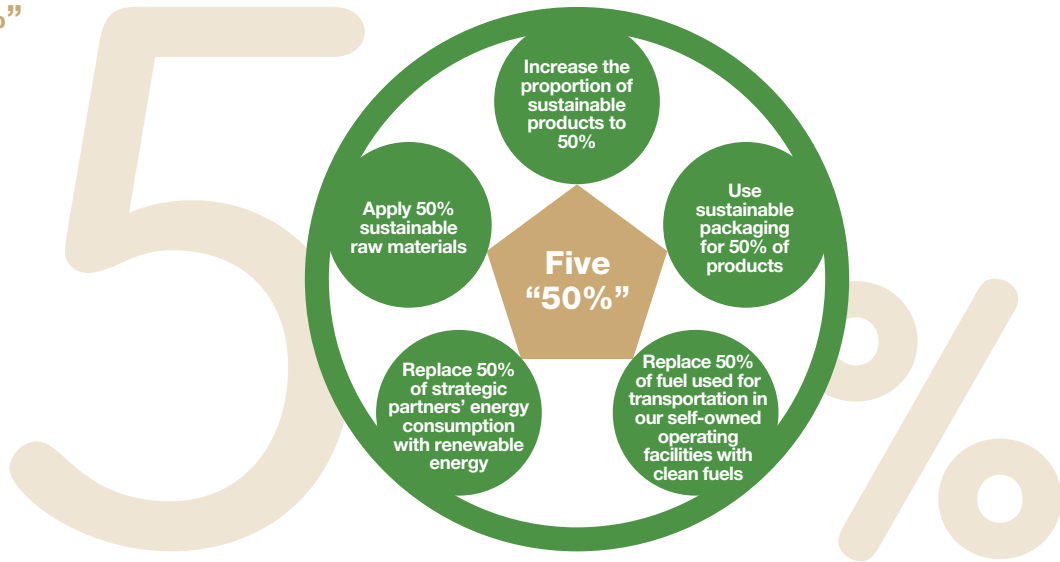


Achieving One overall goal of carbon neutrality by 2050

Achieving the Three “Zeros” by 2030



**Five “50%”
By 2030**



**“Two
Improvements”
by 2030**

1 Engage 3,000 upstream and downstream eco-system partners in the industry to improve their level of sustainability

2 Engage 300 million consumers to exert joint efforts in sustainable development initiatives

**Mutualism with the Society:
Establishing RMB10 billion Charity
Fund**

As a corporation with a strong sense of social responsibility, we adhere to organically combining our

development with socially responsible practices. We proactively participate in community construction, charity, take substantiated action to promote the development of a harmonious society, and create a better society through

goodwill. The founding family of the Group will invest another RMB10 billion in cash and shares to establish the “Hemin Foundation”, to fulfill more social responsibilities.

Field of focus	Key actions
Medical support	Donated funds to build a national grade-A tertiary public hospital
Sports careers	Launched “ANTA Athlete Protection and Development Plan”
Rural revitalization	Introduced the sports charity project “Sturdy Growth Charity Project” for young people: to donate cash and equipment to help young people in underdeveloped areas to participate in healthy sports
Environmental protection	Actively cooperated with environmental protection organizations, participated in the rescue of endangered species, and contributed to biodiversity

We believe that mutualism with the society is the source of our infinite vitality and energy, as well as the value we bring to our country and the world.

APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH

ESG indicator	Laws, regulations and policies	Internal policies
A. Environment	<ul style="list-style-type: none"> • Directory of National Hazardous Wastes • Environmental Prevention and Control Law of Solid Waste Pollution of the People's Republic of China • Environmental Protection Law of the People's Republic of China • Environmental Impact Assessment Law of the People's Republic of China • Nature Conservation Outline of the People's Republic of China 	<ul style="list-style-type: none"> • Waste Management Policy • Hazardous Waste Management Policy • Office Management Policy
B1. Employment	<ul style="list-style-type: none"> • Labor Law of the People's Republic of China • Labor Contract Law of the People's Republic of China • Employment Promotion Law of the People's Republic of China • Social Insurance Law of the People's Republic of China • Regulations on the Prohibition of Child Labor • Law of the People's Republic of China on the Protection of Minors 	<ul style="list-style-type: none"> • Individual Performance Management Policy • E-commerce Store Personnel Performance Management Regulations • Group Retail Regional Office Personal Performance Management Policy • Social Recruitment Recommendation Management Policy • ANTA Group Campus Recruitment Management Measures • Internal Recruitment Commendation Management Policy
B2. Health and safety	<ul style="list-style-type: none"> • Labor Law of the People's Republic of China • Fire Control Law of the People's Republic of China • Production Safety Law of the People's Republic of China • Law of Prevention and Control of Occupational Diseases of the People's Republic of China • Emergency Response Law of the People's Republic of China • Regulations on Work-Related Injury Insurance • Administrative Provisions on the Work Safety License of Construction Enterprises • Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents 	<ul style="list-style-type: none"> • Work-Related Injury Prevention and Treatment Mechanism

ESG indicator	Laws, regulations and policies	Internal policies
B3. Development and training		<ul style="list-style-type: none"> • Training Operation Management Policy • Lecturer and Textbook Management Policy • Import and Export Training Operation Management Policy • ANTA Fresh Graduate Training Management Policy • Retail School Recruitment Management Trainee Training Policy • Promotion Management Policy • Group Retail Staff and Store Manager Rank Change Policy
B4. Labor standards	<ul style="list-style-type: none"> • Labor Law of the People's Republic of China • Labor Contract Law of the People's Republic of China • Employment Promotion Law of the People's Republic of China • Social Insurance Law of the People's Republic of China • Regulations on the Prohibition of Child Labor • Law of the People's Republic of China on the Protection of Minors 	<ul style="list-style-type: none"> • Social Recruitment Recommendation Management Policy • ANTA Group Campus Recruitment Management Measures • Internal Recruitment Recommendation Management Policy
B5. Supply chain management		<ul style="list-style-type: none"> • Shoes Supplier Access and Exit Management Policy • Apparel and Accessories Supplier Access and Exit Management Policy • Supplier Chemical Safety Control Compliance Statement • Group Procurement Supplier Performance Appraisal Management Policy • Anti-Commercial Bribery Agreement • Shoes Chemicals Safety Management Measures

APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH

ESG indicator	Laws, regulations and policies	Internal policies
B6. Product responsibility	<ul style="list-style-type: none"> • Copyright Law of the People’s Republic of China • Trademark Law of the People’s Republic of China • Advertising Law of the People’s Republic of China • Patent Law of the People’s Republic of China • Civil Code of the People’s Republic of China • Fire Control Law of the People’s Republic of China • Product Quality Law of the People’s Republic of China • Consumer Rights Law of the People’s Republic of China • Data Security Law of the People’s Republic of China • Personal Information Protection Law of the People’s Republic of China • E-Commerce Law of the People’s Republic of China • Internet Security Law of the People’s Republic of China 	<ul style="list-style-type: none"> • Intellectual Property Management Policy • Intellectual Property Review Management Policy • Product Intellectual Property Risk Management Process • Quality Management Manual • ANTA Recall Management Policy • Chemical Safety Technical Specification for Apparels, Shoes and Accessories • Guidelines for Chemical Safety Process Control • Suppliers’ Chemicals Safety Management Implementation Guide • ANTA Group Product Safety Standards Formulation and Revision Regulations • Product Standard Formulation and Revision Regulations • Customer Service Management Policy • Personal Information Protection Management Policy • Data Classification and Grading Management Standards • Data Sharing Process • Application System Development and Maintenance Safety Management Regulations • System Access Management Regulations • Information Security Incident Management Policy
B7. Anti-corruption	<ul style="list-style-type: none"> • Company Law of the People’s Republic of China • Anti-Money Laundering Law of the People’s Republic of China • Anti-Monopoly Law of the People’s Republic of China • Anti-Unfair Competition Law of the People’s Republic of China • Interim Provisions on Banning Commercial Bribery of the State Administration for Industry and Commerce of the People’s Republic of China • Supervision Law of the People’s Republic of China 	<ul style="list-style-type: none"> • Anti-Corruption Regulations • Auditing and Supervision Policy • Group Business Gift Management Policy • Management Accountability Policy • Exit Audit Policy

APPENDIX 2: SUSTAINABILITY OVERVIEW

List of HKEX ESG Index

Aspects, general disclosure and KPIs	Descriptions	“Comply or Explain” Provisions
A: Environment		
A1: Emissions		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	PROMOTING A GREEN ENVIRONMENT APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH
KPI A1.1	The types of emissions and respective emissions data.	PROMOTING A GREEN ENVIRONMENT ESG Key Performance Index Data Table
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	PROMOTING A GREEN ENVIRONMENT ESG Key Performance Index Data Table
KPI A1.3	Total hazardous waste produced (in tons) and where appropriate, intensity (e.g. per unit of production volume, per facility).	PROMOTING A GREEN ENVIRONMENT ESG Key Performance Index Data Table

APPENDIX 2: SUSTAINABILITY OVERVIEW

Aspects, general disclosure and KPIs	Descriptions	“Comply or Explain” Provisions
KPI A1.4	Total non-hazardous waste produced (in tons) and where appropriate, intensity (e.g. per unit of production volume, per facility).	PROMOTING A GREEN ENVIRONMENT ESG Key Performance Index Data Table
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	PROMOTING A GREEN ENVIRONMENT PROSPECTS – CELEBRATING ANTA SPORTS’ 30TH ANNIVERSARY, CREATING MUTUAL VALUE
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	PROMOTING A GREEN ENVIRONMENT PROSPECTS – CELEBRATING ANTA SPORTS’ 30TH ANNIVERSARY, CREATING MUTUAL VALUE
A2: Use of resources		
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	PROMOTING A GREEN ENVIRONMENT APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in ‘000s) and intensity (e.g. per unit of production volume, per facility).	PROMOTING A GREEN ENVIRONMENT ESG Key Performance Index Data Table
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	PROMOTING A GREEN ENVIRONMENT ESG Key Performance Index Data Table
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	PROMOTING A GREEN ENVIRONMENT PROSPECTS – CELEBRATING ANTA SPORTS’ 30TH ANNIVERSARY, CREATING MUTUAL VALUE

Aspects, general disclosure and KPIs	Descriptions	“Comply or Explain” Provisions
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	PROMOTING A GREEN ENVIRONMENT PROSPECTS – CELEBRATING ANTA SPORTS’ 30TH ANNIVERSARY, CREATING MUTUAL VALUE
KPI A2.5	Total packaging material used for finished products (in tons) and if applicable, with reference to per unit produced.	PROMOTING A GREEN ENVIRONMENT ESG Key Performance Index Data Table
A3: Environment and natural resources		
General disclosure	Policies on minimizing the issuer’s significant impacts on the environment and natural resources.	PROMOTING A GREEN ENVIRONMENT APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	PROMOTING A GREEN ENVIRONMENT
A4: Climate change		
General disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	PROMOTING A GREEN ENVIRONMENT
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	PROMOTING A GREEN ENVIRONMENT

APPENDIX 2: SUSTAINABILITY OVERVIEW

Aspects, general disclosure and KPIs	Descriptions	“Comply or Explain” Provisions
B: Society		
Employment and Labor Practices		
B1: Employment		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES ESG Key Performance Index Data Table
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	ESG Key Performance Index Data Table

Aspects, general disclosure and KPIs	Descriptions	“Comply or Explain” Provisions
B2: Health and safety		
General disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES ESG Key Performance Index Data Table
KPI B2.2	Lost days due to work injury.	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES ESG Key Performance Index Data Table
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES
B3: Development and training		
General disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES ESG Key Performance Index Data Table
KPI B3.2	The average training hours completed per employee by gender and employee category.	ESG Key Performance Index Data Table

APPENDIX 2: SUSTAINABILITY OVERVIEW

Aspects, general disclosure and KPIs	Descriptions	“Comply or Explain” Provisions
B4: Labor standards		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	HELPING EMPLOYEES THRIVE WITH PEOPLE-ORIENTED POLICIES
Operation practices		
B5: Supply Chain Management		
General disclosure	Policies on managing environmental and social risks of the supply chain.	ANTA VALUE • WIN-WIN COOPERATION APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH
KPI B5.1	Number of suppliers by geographical region.	ANTA VALUE • WIN-WIN COOPERATION ESG Key Performance Index Data Table
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	ANTA VALUE • WIN-WIN COOPERATION ESG Key Performance Index Data Table
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	ANTA VALUE • WIN-WIN COOPERATION
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	ANTA VALUE • WIN-WIN COOPERATION

Aspects, general disclosure and KPIs	Descriptions	“Comply or Explain” Provisions
B6: Product responsibility		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	SAFEGUARD QUALITY AND DARE TO INNOVATE APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	SAFEGUARD QUALITY AND DARE TO INNOVATE ESG Key Performance Index Data Table
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	SAFEGUARD QUALITY AND DARE TO INNOVATE ESG Key Performance Index Data Table
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	SAFEGUARD QUALITY AND DARE TO INNOVATE
KPI B6.4	Description of quality assurance process and recall procedures.	SAFEGUARD QUALITY AND DARE TO INNOVATE
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	SAFEGUARD QUALITY AND DARE TO INNOVATE

APPENDIX 2: SUSTAINABILITY OVERVIEW

Aspects, general disclosure and KPIs	Descriptions	“Comply or Explain” Provisions
B7: Anti-corruption		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	STABLE DEVELOPMENT TO ENSURE LONG-TERM SUCCESS APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	STABLE DEVELOPMENT TO ENSURE LONG-TERM SUCCESS ESG Key Performance Index Data Table
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	STABLE DEVELOPMENT TO ENSURE LONG-TERM SUCCESS
KPI B7.3	Description of anti-corruption training provided to directors and staff.	STABLE DEVELOPMENT TO ENSURE LONG-TERM SUCCESS ESG Key Performance Index Data Table
Community		
B8: Social investment		
General disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	GIVING BACK TO SOCIETY APPENDIX 1: LIST OF ESG POLICIES AND LAWS AND REGULATIONS ANTA COMPLIES WITH
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	GIVING BACK TO SOCIETY
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	GIVING BACK TO SOCIETY ESG Key Performance Index Data Table

ESG Key Performance Index Data Table

Subject Area	ESG KPIs	Unit	2021	2020	2019
A. Environmental¹					
Aspect A1: Emissions	A1.1 The types of emissions and respective emissions data²				
	Particulates	Ton	3.87	Not disclosed	Not disclosed
	Sulfur dioxide	Ton	0.14	Not disclosed	Not disclosed
	Nitrogen oxide	Ton	1.26	Not disclosed	Not disclosed
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity				
	Scope 1 Direct greenhouse gas emissions	Ton of CO ₂ equivalent	2,772.48 ³	2,713	4,458
	Scope 2 Indirect greenhouse gas emissions	Ton of CO ₂ equivalent	142,681.60 ⁴	90,552	88,358
	Total greenhouse gas emissions	Ton of CO ₂ equivalent	145,454.08	93,265	92,816
	Scope 1 greenhouse gas emission intensity	Ton of CO ₂ equivalent/ Revenue per million RMB	0.05	Not disclosed	Not disclosed
	Scope 2 greenhouse gas emission intensity	Ton of CO ₂ equivalent/ Revenue per million RMB	2.90	Not disclosed	Not disclosed
Total greenhouse gas emission intensity	Ton of CO ₂ equivalent/ Revenue per million RMB	2.95	2.63	2.74	

¹ We adopted the "Operation Control Method" to compile and convert the environmental data in 2021, and did not convert the data of each unit according to shareholding ratio; while in 2020 and before, we adopted the "Equity Ratio Method" to adjust the overall data according to shareholding ratio.

² Emissions (nitrogen oxide, sulfur dioxide and particulates) are mainly from emissions from the Group's manufacturing companies and emissions from the use of corporate vehicles, of which the calculation of corporate vehicle emissions is based on HKEX "Appendix II: Reporting Guidance on Environmental KPIs".

³ Scope 1 greenhouse gas emissions are mainly from direct greenhouse gas emissions from fossil fuel consumption (such as gasoline, diesel, natural gas) during operation / production process and the refrigerants emission. The formula used to calculate the main greenhouse gas emissions from fossil fuel consumption: CO₂ emissions from fossil fuel combustion = fuel consumption x low level heat generation X carbon content per unit calorific value x fuel carbon oxidation rate x 44/12, while the calculation of refrigerant emissions data refers to HKEX "Appendix II: Reporting Guidance on Environmental KPIs".

⁴ Scope 2 greenhouse gas emissions are mainly from indirect greenhouse gas emissions generated from purchased electricity and steam consumed in the Group's operation/production process, calculated with reference to HKEX "Appendix II: Reporting Guidance on Environmental KPIs". The electricity emission factor for 2021 is adopted from the "Guidelines on Enterprises Greenhouse Gas Emissions Accounting and Reporting – Power Generation Facilities" (Huanban Qihou [2021] No. 9). The grid emission factor of 0.5810 tCO₂/MWh has increased due to the adoption of the "Operation Control Method" and the expansion of statistical scope of data, resulting in an increase in the scope 2 emission data for 2021.

APPENDIX 2: SUSTAINABILITY OVERVIEW

Subject Area	ESG KPIs	Unit	2021	2020	2019
Aspect A1: Emissions	A1.3 Total hazardous waste produced and intensity				
	Total hazardous waste produced ⁵	Ton	24.13	17	3.01
	Hazardous waste intensity	Kg / Revenue per million RMB	0.49	Not disclosed	Not disclosed
	A1.4 Total non-hazardous waste produced and intensity				
	Total non-hazardous waste produced ⁶	Ton	3,248.83	2,359	2,460.51
	Non-hazardous waste intensity	Ton / Revenue per million RMB	0.07	Not disclosed	Not disclosed
Aspect A2: Use of Resources	A2.1 Direct and indirect energy consumption by type in total and intensity⁷				
	Gasoline	kWh	889,062.42	313,192	19 ⁸
	Diesel ⁹	kWh	255,379.22	152,407	2 ⁸
	Natural gas	kWh	11,895,519.78	12,704,352	2,033,039 ¹⁰
	Purchased electricity	kWh	205,233,867.35	110,175,714	116,430,026
	Purchased steam	kWh	60,989,344.52	60,770,785	162,424 ¹¹
	Total energy consumption	MWh	279,263.17	Not disclosed	Not disclosed
	Total energy consumption intensity	MWh / Revenue per million RMB	5.66	Not disclosed	Not disclosed

⁵ Hazardous waste data are obtained from the disposal volume of hazardous waste of the Group's production enterprises, of which the data for 2021 and 2020 cover relevant data of Quanzhou Athletic Shoes & Garments Company Ltd., Henan ANTA Material Supply Co., Ltd., and ANTA (China) Co., Ltd.; the data for 2019 cover relevant data of Quanzhou Athletic Shoes & Garments Company Ltd. and Henan ANTA Material Supply Co., Ltd.; the hazardous waste data for 2019 are disclosed in the 2019 ESG report as 3,014 kg. To optimize the statistics and maintain consistency, the 2019 waste was converted, so the data were adjusted to 3.01 tons.

⁶ The data of non-hazardous waste in 2021 are from domestic food waste (except for Fujian ANTA Logistics Information Technology Co., Ltd. and self-operated stores) and general industrial solid waste disposal (non-recyclable) of all production enterprises of the Group. The adoption of the "Operation Control Method" and the expansion of statistical scope of data resulted in an increase in the data of non-hazardous waste; the data of non-hazardous waste in 2019 were disclosed in the 2019 ESG Report as 2,460,514 kg. To optimize the statistics and maintain consistency, the data were adjusted to 2,460.51 tons as a result of the conversion of 2019 waste.

⁷ Energy consumption (unit: kWh) is calculated from the consumption of gasoline, diesel, natural gas, purchased electricity and purchased steam, while the calculation refers to the "General Principles for Calculation of Total Production Energy Consumption" (GB2589-2020).

⁸ Unit in ton.

⁹ Diesel consumption increased in 2021 due to the adoption of the "Operation Control Method".

¹⁰ Unit in m³.

¹¹ Unit in gigajoule.

Subject Area	ESG KPIs	Unit	2021	2020	2019
Aspect A2: Use of Resources	A2.2 Water consumption in total and intensity				
	Total water consumption	m ³	1,424,206.58	1,684,010	1,912,097
	Total water consumption intensity	m ³ / Revenue per million RMB	28.87	47	56
	A2.5 Total packaging material used for finished products and with reference to per unit produced				
	Total packaging material consumption ¹²	Ton	21,943.96	12,283.45	Not disclosed
	Intensity of packaging material consumption	Ton / Revenue per million RMB	0.44	Not disclosed	Not disclosed
B. Social					
Aspect B1: Employment	B1.1 Total workforce: by gender, employment type, age group, and geographical region				
	Total number of employees ¹³	Person	52,000	41,000	30,800
	By gender				
	Male	%	26.0	27.1	31.6
	Female	%	74.0	72.9	68.4
	By function				
	Office employees	%	20.6	Not disclosed	Not disclosed
	Production and logistics staff	%	22.7	Not disclosed	Not disclosed
	Retail employees	%	56.7	Not disclosed	Not disclosed
	By rank				
	President level	%	0.1	Not disclosed	Not disclosed
	Director level ¹⁴	%	1.3	Not disclosed	Not disclosed
	Manager level	%	6.4	Not disclosed	Not disclosed
	Officers and others	%	72.5	Not disclosed	Not disclosed
Production staff	%	19.7	Not disclosed	Not disclosed	

¹² The adoption of the "Operation Control Method" and the expansion of statistical scope of the types of packaging materials used in 2021 (including all types of packaging materials used in finished products) have led to an increase in the total volume, and the actual volume of packaging materials used in 2020 was 12,283.45 tons. The unit conversion error in the 2020 ESG report has been corrected in this report.

¹³ The total number of employees is defined as our regular employees. In addition, we have 1,051 other types of workers, such as temporary workers, trainees and interns employed by our directly operated and managed businesses.

¹⁴ The scope of data reporting includes the director level within the Group and excludes members of the Board of Directors.

APPENDIX 2: SUSTAINABILITY OVERVIEW

Subject Area	ESG KPIs	Unit	2021	2020	2019
Aspect B1: Employment	By age group				
	16-24	%	15.4	11.6	15.6
	25-40	%	73.0	74.3	69.9
	41 and above	%	11.6	14.1	14.5
	By geographical region				
	Mainland China	%	99.2	Not disclosed	Not disclosed
	Hong Kong, Macao, Taiwan and overseas regions	%	0.8	Not disclosed	Not disclosed
	B1.2 Employee turnover rate: by gender, age group and geographical region¹⁵				
	Total employee turnover rate	%	52.8	Not disclosed	Not disclosed
	By gender				
	Male	%	65.1	Not disclosed	Not disclosed
	Female	%	48.5	Not disclosed	Not disclosed
	By age group				
	16-24	%	89.9	Not disclosed	Not disclosed
25-40	%	47.1	Not disclosed	Not disclosed	
41 and above	%	39.8	Not disclosed	Not disclosed	
By geographical region					
Mainland China	%	52.8	Not disclosed	Not disclosed	
Hong Kong, Macao, Taiwan and overseas regions	%	53.4	Not disclosed	Not disclosed	

¹⁵ Overall employee turnover rate = (number of leaving employees during the financial year/number of employees as of 31 December 2021) x 100%. Employee turnover rate by category = (number of leaving employees of that category during the financial year/number of employees of that category as of 31 December 2021) x 100%. Employee turnover reflects the number of employees who have left (terminated their employment with the Group due to voluntary resignation, dismissal, retirement or death). Our statistics and reporting include all regular employees at all operating locations. The number of employees who left during probationary period is also included. Since both the retail and manufacturing industries are labor-intensive and thus have a higher turnover rate, we will continue to monitor the turnover rate and actively seek improvements.

Subject Area	ESG KPIs	Unit	2021	2020	2019
Aspect B2: Health and Safety	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year¹⁶				
	Number of work-related fatalities	Person	0	0	0
	Rate of work-related fatalities	%	0	0	0
	B2.2 Lost days due to work injury¹⁷				
	Office employees	Day	422	295.5	55
	Production and logistics staff ¹⁸	Day	2,313	1,815	551
	Retail employees	Day	2,078 ¹⁹	493	240
Aspect B3: Development and Training	B3.1 The percentage of employees trained by gender and employee category²⁰				
	Percentage of employees trained	%	79.7	Not disclosed	Not disclosed
	Employees trained by gender				
	Male	%	23.0	Not disclosed	Not disclosed
	Female	%	77.0	Not disclosed	Not disclosed
	Employees trained by rank				
	President level	%	0.1	Not disclosed	Not disclosed
	Director level ²¹	%	1.4	Not disclosed	Not disclosed
	Manager level	%	7.1	Not disclosed	Not disclosed
	Officers and others	%	77.6	Not disclosed	Not disclosed
	Production staff	%	13.8	Not disclosed	Not disclosed

¹⁶ Data obtained from the Human Resources Department, verified by local authorities for workplace fatalities.

¹⁷ The data cover employees in Mainland China and are obtained from the Company's human resources department in Mainland China, verified by local Human Resources and Social Security Bureau for workplace injuries. As for the injury data of employees in other regions, we are optimizing our data collection system and will disclose such information in the future.

¹⁸ In 2021, we updated the category of employee function statistics from factory employees to production and logistics staff. For the number of workdays lost due to work-related injuries, the scope of data reporting covers production and logistics staff in 2021, and factory employees in 2020 and 2019, with no retrospective adjustments.

¹⁹ The increase was due to the expansion of ANTA's retail business with FILA and other brands as a result of the DTC business transformation, which led to an increase in the number of retail employees and an overall increase in the size of the workforce, resulting in an increase in the number of workdays lost due to work-related injuries.

²⁰ The scope of data reporting excludes Quanzhou Athletic Shoes & Garments Co., Ltd. The percentage of employees trained = (employees trained/number of employees) x 100%, employees trained in relevant category = (employees trained in the specified category/total number of employees trained) x 100%.

²¹ The scope of data reporting includes the director level within the Group and excludes members of the Board of Directors.

APPENDIX 2: SUSTAINABILITY OVERVIEW

Subject Area	ESG KPIs	Unit	2021	2020	2019
Aspect B3: Development and Training	Employees trained by function				
	Office employees	%	21.9	Not disclosed	Not disclosed
	Production and logistics staff	%	15.1	Not disclosed	Not disclosed
	Retail employees	%	63.0	Not disclosed	Not disclosed
	B3.2 The average training hours completed per employee by gender and employee category²²				
	Average training hours	Hour	17.58	Not disclosed	Not disclosed
	Average training hours by gender				
	Male employee average training hours	Hour	14.35	Not disclosed	Not disclosed
	Female employee average training hours	Hour	18.65	Not disclosed	Not disclosed
	Average training hours by rank				
	President level	Hour	6.33	Not disclosed	Not disclosed
	Director level ²³	Hour	19.33	Not disclosed	Not disclosed
	Manager level	Hour	19.67	Not disclosed	Not disclosed
	Officers and others	Hour	19.63	Not disclosed	Not disclosed
	Production staff	Hour	7.61	Not disclosed	Not disclosed
Average training hours by function					
Office employees	Hour	16.96	Not disclosed	Not disclosed	
Production and logistics staff	Hour	7.13	Not disclosed	Not disclosed	
Retail employees	Hour	21.14	Not disclosed	Not disclosed	

²² Average training hours per employee = total training hours/total number of employees. Average training hours for employees in relevant categories = total number of training hours for employees in the specified category/number of employees in the specified category.

²³ The scope of data reporting includes the director level within the Group and excludes members of the Board of Directors.

Subject Area	ESG KPIs	Unit	2021	2020	2019
Aspect B5: Supply Chain Management	B5.1 Number of suppliers by geographical region				
	Total number of suppliers	Number	379 ²⁴	720 ²⁵	Over 669 ²⁶
	Contracted suppliers in China	%	94.2	96.9	97.0
	Contracted suppliers overseas	%	5.8	3.1	3.0
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented				
	Suppliers that signed the Code of Conduct ²⁷	%	96.6	Not disclosed	Not disclosed
	Number of suppliers with ISO 9001 certification	Number	267	Not disclosed	Not disclosed
	Number of suppliers with ISO 14001 certification	Number	162	Not disclosed	Not disclosed
	Number of suppliers with ISO 45001 certification	Number	65	Not disclosed	Not disclosed
	Number of suppliers with bluesign® certification	Number	45	40	40

²⁴ The scope of data reporting is the number of direct suppliers with whom the Group has contracted. We are optimizing the statistical management and data collection system of the data indicators related to our upstream business, so the data of tier 2 and tier 3 suppliers in 2021 are not disclosed in this report, and such information will be considered for future disclosure.

²⁵ The scope of data reporting includes direct suppliers and some tier 2 and tier 3 suppliers.

²⁶ The scope of data reporting includes direct suppliers and some tier 2 and tier 3 suppliers.

²⁷ The scope of data reporting is direct suppliers with whom the Group has contracted.

APPENDIX 2: SUSTAINABILITY OVERVIEW

Subject Area	ESG KPIs	Unit	2021	2020	2019
Aspect B6: Product Responsibility	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons				
	Recalled products	%	Not applicable	0.01	Less than 0.03
	B6.2 Number of products and service related complaints received²⁸				
	Product complaints	Case	294,924 ²⁹	5,011 ³⁰	5,433 ³¹
	Among which: Shoes	%	63.8	56.0	55.5
	Apparel	%	35.0	42.4	43.3
	Accessories	%	1.2	1.6	1.2
Service complaints ³²	Case	6,060	Not disclosed	Not disclosed	
Aspect B7: Anti-corruption	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases				
	Legal cases regarding corrupt practices	Case	1	0	2
	B7.3 Anti-corruption training provided to directors and employees				
	Anti-corruption training for top management and Board members ³³	Number of participants	728	Not disclosed	Not disclosed
	Anti-corruption training for office employees	%	100.0	Not disclosed	Not disclosed
	Anti-corruption training for Board members	%	100.0	Not disclosed	Not disclosed
Aspect B8: Community Investment	B8.2 Resources contributed to the focus area				
	Cash	Million RMB	65	32	36
	Product (calculated at tag value)	Million RMB	Over 270	Over 100	Over 100

²⁸ The scope of data is ANTA and the FILA brand.

²⁹ In 2021, we optimized our statistics and expanded the scope of product complaints to include quality returns, 400 hotline complaints and online complaints.

³⁰ The scope of data is quality returns.

³¹ The scope of data is quality returns.

³² In response to the DTC business transformation and the advancement of e-commerce operations, we are increasingly focusing on our customer service quality, striving to optimize our service quality to provide consumers with a better shopping experience. In 2021, we improved our statistics and reporting methods, and incorporated service-related complaints into our ESG KPIs and management.

³³ The scope of data is president and director level.

GLOSSARY

AMER SPORTS

Amer Sports Oy (Amer Sports Corporation), a sporting goods company incorporated in the Republic of Finland

ANTA

ANTA Brand

ANTA KIDS

ANTA KIDS brand, which offers ANTA products for children

ANTA SPORTS/COMPANY/ GROUP/WE/OUR/US

ANTA Sports Products Limited

ANTA STORE(S)

ANTA authorized retail store(s)

AUDIT COMMITTEE

The audit committee of the Company

BOARD

Board of Directors

CG CODE

Corporate Governance Code set out in Appendix 14 to the Listing Rules

CHINA/PRC

People's Republic of China

COC

Chinese Olympic Committee

CO₂

Carbon dioxide

CO₂ equivalent

Carbon dioxide equivalent

CSD

Chinese Sports Delegation

DESCENTE

DESCENTE brand

DESCENTE STORE(S)

DESCENTE retail store(s)

DTC

Direct to Consumer

ESG

Environmental, social and governance

EXECUTIVE DIRECTOR(S)

Executive director(s) of the Company

FILA

FILA Brand

FILA FUSION

The sub-brand of FILA, which offers youth's trendy clothing

FILA KIDS

FILA KIDS brand, which offers FILA products for children

FILA STORE(S)

FILA retail store(s)

FINANCIAL YEAR

The year ended 31 December 2021

GHG

Greenhouse gas

GROUP

The Company and its subsidiaries

HONG KONG

The Hong Kong Special Administrative Region of the PRC

HONG KONG STOCK EXCHANGE/HKEX

The Stock Exchange of Hong Kong Limited

INDEPENDENT NON-EXECUTIVE DIRECTOR(S)

Independent non-executive director(s) of the Company

KOLON SPORT

KOLON SPORT brand

KOLON SPORT STORE(S)

KOLON SPORT retail store(s)

KPI

Key performance indicator

LISTING RULES

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)

MACAO

The Macao Special Administrative Region of the PRC

MAINLAND CHINA

Mainland of China, geographically excluding Hong Kong, Macao and Taiwan

MSCI

MSCI Standard Indexes

NOMINATION COMMITTEE

The nomination committee of the Company

NON-EXECUTIVE DIRECTOR(S)

Non-executive director(s) of the Company

PANDEMIC

2019 novel coronavirus disease

R&D

Research and development

REMUNERATION COMMITTEE

The remuneration committee of the Company

REPORT

Environmental, Social, Governance Report

RISK MANAGEMENT COMMITTEE

The risk management committee of the Company

RMB

Renminbi, the lawful currency of the PRC

SDGS

The United Nations' 17 Sustainable Development Goals

SHAREHOLDER(S)

Shareholder(s) of the Company

SUSTAINABILITY COMMITTEE

The sustainability committee of the Company

UNESCO

United Nations Educational, Scientific and Cultural Organization



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