

LEADING SUSTAINABLE FASHION

2023/24

Environmental, Social
and Governance Report



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ABOUT THIS REPORT

This report is the eighth Environmental, Social and Governance ("ESG") report (the "ESG Report" or "this Report") released by Bosideng International Holdings Limited (the "Company"). The previous report was released in July 2023. This Report discloses in detail the concepts, practices and performance of the Company and its subsidiaries (collectively referred to as "Bosideng", "we" or the "Group") with respect to ESG issues. On the one hand, we hope to improve various aspects of ESG performance based on relevant rules and on the other hand, we also hope to facilitate the continuous progress of the Group in ESG development through internal innovations and reforms.

For the purpose of preparing this Report, we have engaged two independent professional institutions who have been in touch with our major stakeholders in a comprehensive manner and considered adopting their opinions to identify material issues and formulate the specific contents of this Report. We will continue promoting information collection to improve our reporting performance and disclosure capacity in the area of sustainable development.

BASIS OF PREPARATION

This Report is prepared in accordance with the "Environmental, Social and Governance Reporting Guide" (the "ESG Guide") in Appendix C2 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), adhering to the principles of materiality, quantitateness, balance and consistency. The contents disclosed comply with the mandatory disclosure requirements and the "comply or explain" requirements under the ESG Guide. This Report also makes reference to the Global Reporting Initiative (GRI) Sustainability Reporting Standards and United Nations 2030 Agenda for Sustainable Development.

PERIOD AND SCOPE

This Report is issued on an annual basis, covering the period from April 1, 2023 to March 31, 2024 (the "FY2023/24" or the "Year"). To enhance comparability, parts of the content can be appropriately traced back to past financial years. Particularly significant initiatives and events in FY2024/25 already known as of the date of this Report are also included. To maintain the continuity and integrity of information, some contents of this Report have been reviewed and extended.

This Report focuses on disclosing the Group's management policies on ESG material issues. Considering that the branded down apparel business is the Group's most important business segment (accounting for approximately 84.1% of the Group's total revenue for the Year), this Report will focus on conducting analysis and disclosure on the branded down apparel business. Unless otherwise indicated, the key environmental performance indicators disclosed in this Report cover only the Group's headquarters and self-operated branded down apparel retail stores (including specialty stores and concessionary retail outlets), logistics centers and warehouses in the People's Republic of China (the "PRC"). The economic and social key performance indicators disclosed in this Report cover all members of the Group. We will expand our scope of disclosure to the non-down apparel businesses when feasible in the future.

For more details on the major subsidiaries of the Group, please refer to the Annual Report FY2023/24.

REPORT AVAILABILITY

You may go to the Company's official website at <http://company.bosideng.com> or the ESG official website at <http://sustainability.bosideng.com> and the website of the Stock Exchange at <http://www.hkexnews.hk> for the electronic version of this ESG Report. To better understand your needs, improve the quality of the ESG report and provide more valuable information to all stakeholders, you are welcome to contact the Capital Market Center at bosideng_ir@bosideng.com to submit any comments or suggestions on this Report or the ESG performance of the Group. We promise not to disclose any of your information to third parties without your consent.

CHAIRMAN'S STATEMENT

“ Brand Elevation, Industry Innovation Exploring a Sustainable and High-Quality Future ”



In FY2023/24, the domestic clothing industry was under pressure on both the supply and demand sides, driven by a challenging and complex macroeconomic environment both at home and abroad, along with multiple unforeseen factors. With the stable recovery and positive development of China's economy, cultural confidence and new-type industrialization have empowered and supported domestic brands to seize growth opportunities. The textile and apparel industry has embarked on a new journey to drive the construction of a modern industrial system through innovative productivity.

The Group actively responds to important strategies such as high-quality development, common prosperity, and the "dual carbon" goals in China. We calmly face the severe tests posed by multiple challenges and fully integrate the ESG (Environmental, Social, and Governance) concept into our management practices to promote sustainable and high-quality development of the enterprise. In our ESG report for the eighth consecutive year, we respond to the expectations of stakeholders and the market regarding the Company's high-quality development.

Building a leading ESG brand with impressive results in high-quality development

With sustainable development as a global goal, it has become the "proposition of the times" and "value consensus" for Chinese enterprises to implement the new development concept in a complete, accurate and comprehensive manner, practice the ESG concept and promote sustainable development for a community of human destiny.

Adhering to the original mission of "China Bosideng, Warming the people of the World", Bosideng Group has been focusing on down apparel for 48 years. We have been pursuing long-termism and social value creation, and delivering love and warmth to global consumers and the public. As a leading company in the industry, we are oriented to people's new demands and expectations for a better life. We adhere to the brand-leading development model, and make systematic efforts in multiple dimensions, such as products, retail and supply chain, to consolidate the core competitiveness of the brand. We actively practice ESG concepts and sustainable fashion by incorporating our responsibilities to employees, the industry, the environment and society into our corporate strategies and development practices, so as to promote high-quality development while pursuing innovation and quality. The Group's revenue and net profit hit record highs for six consecutive years, and the Bosideng brand was ranked 462nd on the list of the "Top 500 Brands of the World", becoming a benchmark model of high-quality growth and ESG leadership in the textile and apparel industry.

ESG management

High-level corporate governance is the cornerstone of user trust and international cooperation. In FY2023/24, the Group established a comprehensive and rigorous "1+3+X" ESG strategic framework and governance structure to further strengthen the ESG system. By conducting a survey on ESG material issues for over 1,100 stakeholders, our ESG work was advanced broadly and extensively in a coordinated manner. In addition, trainings on business ethics and anti-corruption were provided for all mid- and senior-level employees to deepen comprehensive risk management. With reference to the ESG Code of the Stock Exchange, we incorporated the Sustainable Development Goals (SDGs) of the United Nations into our ESG management practices, and promoted corporate governance and commitment in key areas such as product positive, nature positive and people positive, enhancing the confidence of our investors and consumers. In 2024, we were first selected into the Sustainability Yearbook (China Edition) published by S&P Global. Moreover, we maintained our industry-leading "A" rating appraised by MSCI ESG, and was upgraded to a "B" grade for "Climate Change Management" by Carbon Disclosure Project (CDP), both the best ratings for Chinese textile and apparel enterprises. The Company was also honored as the "China Industrial Carbon Peak Pioneer Enterprise" Excellent Practice Cases of Green and Low-carbon Development of Enterprises, and New Benchmark Enterprise Award for ESG, demonstrating its leading strength and innovative vitality.

Nature Positive

The Chinese path to modernization is realized by the harmonious co-existence of humanity and nature. Driven by the targets of "carbon peak and carbon neutrality", the Group practiced the concept of green carbon reduction development throughout the entire value chain from raw materials, manufacturing, logistics to suppliers, to promote the green and low-carbon transformation of the industry. Our proprietary GIMs system, the industrial internet in the apparel industry, can trace all along the raw materials. Moreover, we have strengthened the innovation and development of environmental protection products and the application of new eco-friendly fabrics, greenhouse gas emissions reviews and product carbon footprint assessments, and initiated the "near-zero carbon" factories, thereby promoting comprehensive energy conservation, emissions reduction, and collaborative innovation throughout the entire process. We led and participated in the formulation and revision of industrial green technology standards, to encourage partners along the supply chain to jointly build a green manufacturing and supply system. During the Year, 100% of our down apparel obtained Responsible Down Standard (RDS) certificates, while 75% of down apparel obtained ecological textile OEKO-TEX® certificates and 58% of down apparel obtained Bluesign® certificates. We cooperated with the China Feather and Down Industrial Association to publish a study of Towards Net Zero Emissions: A Study on the Path of High-quality and Low-carbon Transformation of the Down Apparel Industry and participated in the Climate Stewardship 30-60 Net

CHAIRMAN'S STATEMENT

Zero Accelerating Plan of the China National Textile And Apparel Council to support the industry to cope with climate change. The Company had also fully initiated Phase IV of the Carbon neutral forest project, aiming to plant a total of 1,000 mu to support the ecological public welfare project of Tengger Desert Lock-edge in Alxa.

Product positive

Innovation is the primary driving force for high-quality development. We focus on preferred materials, R&D and innovation, quality assurance, customer services and chemicals management of the product chain, and launch a “store-centric, customer-value-oriented” reform of the business process with responsible business practices to provide consumers with quality products and services. We engage in the precise development of a different series of products based on consumers’ preferences, behavior and traits to satisfy their needs in different scenarios, so as to drive product category innovation and expansion. Our eco-friendly zero-pressure down apparel won the German Red Dot Design Award, and new degradable fabric won the ISPO TEXTRENDS (Accelerated Eco). During the Year, we applied for 545 patents, with

971 patents registered in total. We upgraded the core competitiveness of supply chain flexibility and quick response, excellent quality, product innovation and leading resources, and built a model of immediately supplying Top Sellers. As a result, the market disability rate standard has been reduced to below 0.08% (that of high-end products has been reduced to below 0.035%). In addition, we formulated the Supplier Chemicals Control Manual to improve the requirements for the chemicals control of suppliers, and joined the Zero Discharge of Hazardous Chemicals (ZDHC) to eliminate the input and use of toxic and hazardous substances at the source by managing inputted chemicals.

People positive

We firmly believe that the long-term prosperity of an enterprise is a cornerstone of employees' happiness and growth. The Group continues to uphold the concept of people-oriented and building happiness together, as well as to build an efficient organization driven by strategy and supported by a culture/talent mechanism. Through excellent case studies, the creation of benchmark figures, the accumulation of organizational experience, cultural development and other activities, the

Group has created a comfortable and welcoming “family” culture and a working and living environment for growth, which promotes win-win development between employees, the enterprise and the society, thereby winning a number of employer branding awards. During the Year, the proportion of female management members exceeded 50%, representing an increase of approximately 1.8 percentage points over the same period of the previous year. We continued to promote the construction of Bosideng's unique internal talent development system, as well as projects for the core management team, elite reserve cadres and retail talents. Bosideng Business School invested a total of more than RMB10 million in employee training and education improvement, with the coverage rate of employee training at 100% and a total of 178,000 hours of training for our employees. We updated our remuneration and benefits system featuring high targets and industry competitiveness, and continued to implement the Employee Share Incentive Scheme, granting the seventh phase of share incentives to our employees, with a total of 589,880,000 share options and incentive shares granted, which covered 170 core employees. Meanwhile, we have been playing a leading role as a master enterprise in the industrial chain, and paying attention to guiding our suppliers to enhance their ESG responsibilities, especially in the protection of labor rights and interests. During the Year, eight supplier training sessions were conducted, covering 144 suppliers; the supplier audit coverage rate was 100%, and priority was given to cooperating with suppliers with excellent labor management. In addition, we have actively fulfilled our corporate social responsibility by promoting the well-

being of the public, contributing to the revitalization of rural areas and promoting common prosperity. As of FY2023/24, Bosideng Charity Foundation has donated more than RMB1.4 billion to the society, benefiting about 1.589 million people.

Enhancing the new quality productive forces Sustainable development for the future

The year 2024 marks the 20th anniversary of the ESG concept proposed by the United Nations Global Compact. Given the increasing efforts of ESG regulatory policies in China to promote the construction of an ESG system with Chinese characteristics, Bosideng will contribute to the construction of Chinese-style modernization and sustainable development of the world, and become the core competitiveness of Chinese brands for the future.

The Group is focusing on the important development opportunities of strengthening technological innovation, accelerating digital transformation and promoting green development. We have put forward the ESG strategic vision of “leading sustainable fashion with a consumer-oriented approach” and set the target of “achieving net-zero emissions from operations by 2038”, in order to further realize the ESG development concept. Focusing on technological innovation, “dual-carbon” target and climate strategy, occupational health and safety, supply chain management and other key standard issues for the sustainable development of the industry, Bosideng will promote the construction of an ESG system, deepen ESG governance, improve ESG performance with high standards, and cooperate with all parties in building a sustainable and high-quality

development ecosystem of the brand, so as to realize long-term sustainable growth for customers, employees, shareholders, the industry and society through practical actions.

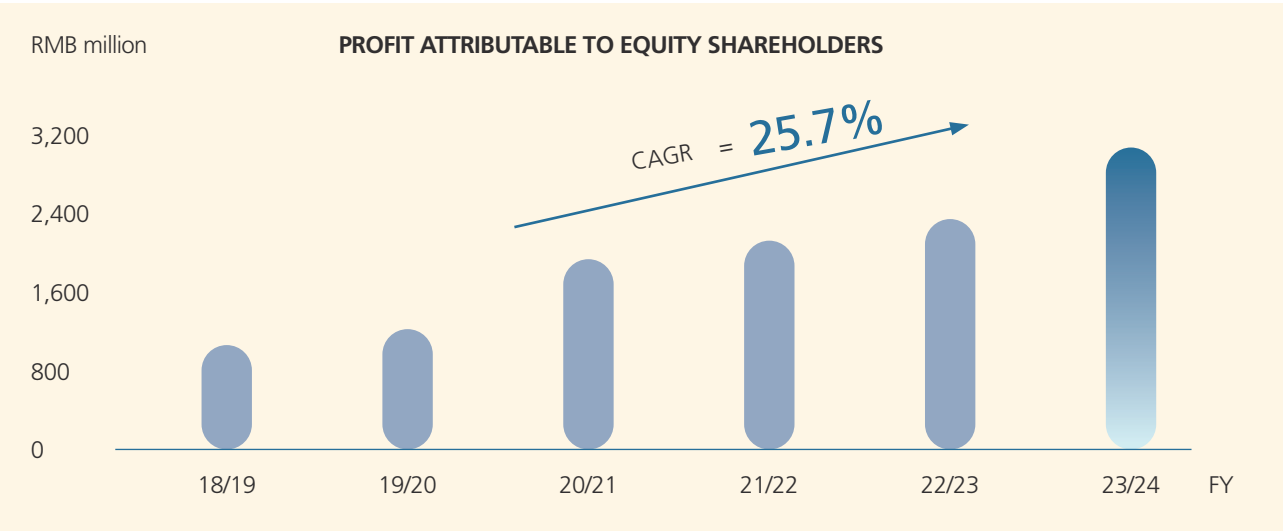
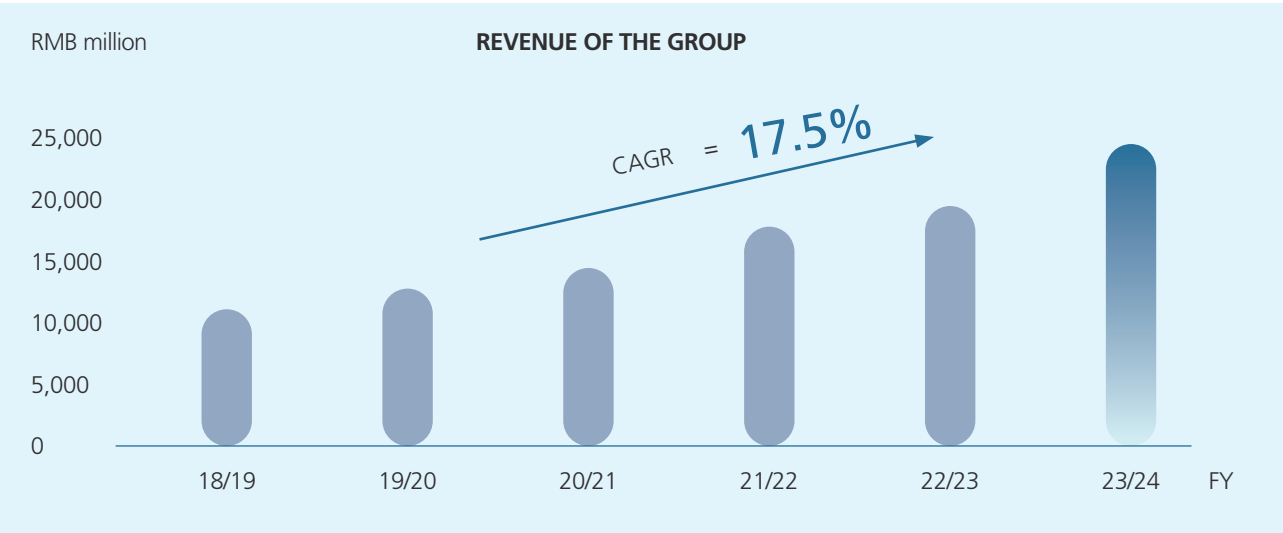
Long as the journey is, we will surely reach our destination when we stay the course. On the fresh journey full of challenges and opportunities, Bosideng Group will adhere to the original mission of “China Bosideng, Warming the people of the World” and keep “focusing on the mainstay business of down jackets and focusing on the main track of fashion and functional apparel enhanced with technology” as the strategic direction of “dual-focus” under the guidance of the strategic vision of “becoming the global leading group on fashion and functional apparel enhanced with technology”, in order to accelerate to nurture and develop new quality productive forces. On the journey of enhancing people’s well-being and pursuing sustainable and high-quality development target, Bosideng will strive for excellence and innovation, and unremittingly pursue greatness and leading position, in a bid to build a global leading enterprise and brand, and start a new chapter of “World Down Apparel, China Bosideng, New leading trends”. Bosideng will contribute its strength to the advancement of Chinese modernization and global sustainable development!



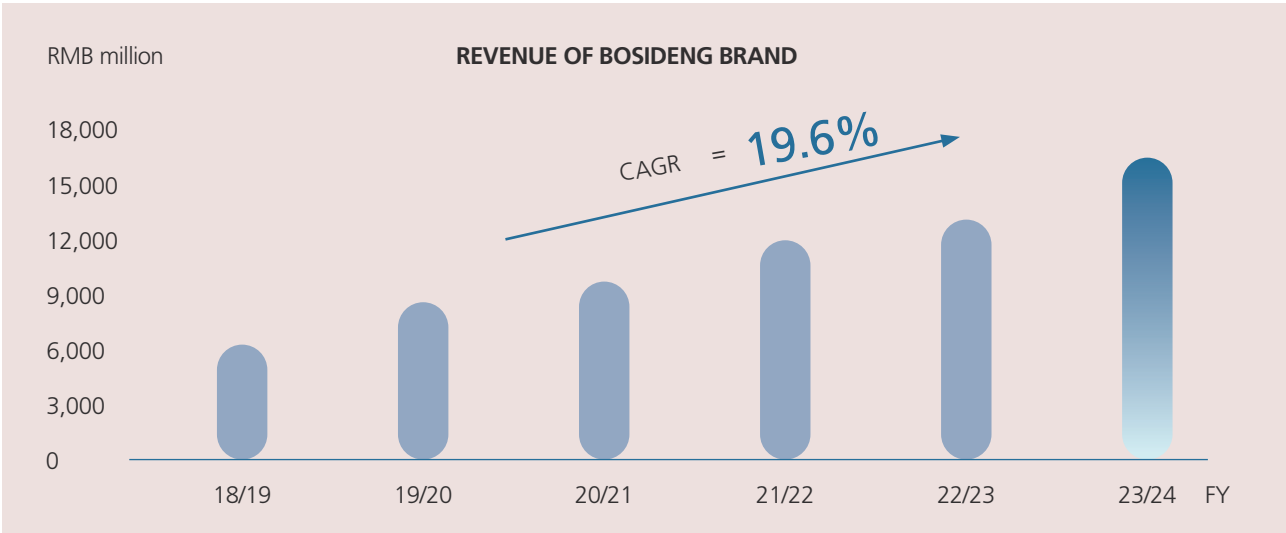
Gao Dekang
Chairman and President
July 26, 2024

PERFORMANCE REVIEW

FINANCIAL PERFORMANCE OF THE GROUP



PERFORMANCE OF BOSIDENG BRANDED DOWN APPARELS



OFFLINE HIGHLIGHTS

- Continued to consolidate the expert image of the world's leading down jackets with brand leadership
- Successfully expanded incremental business with iterative upgrades for products
- Continuously optimized the quality of channels, and focused resources on building benchmark TOP stores
- Strengthened single-store operations, and steadily improved channel management capabilities and operational efficiency

ONLINE HIGHLIGHTS

- Efforts are made on online multi-platforms to achieve rapid and high-quality growth
- During the "Double 11" and "Double 12" events, Bosideng consecutively ranked as the top Chinese apparel brand across multiple platforms and various assessment dimensions
- During the Year, Bosideng brand had over 11 million new fans on the Tmall platform and JD.com platform, and 1 million fans on the Douyin platform

CAPITAL MARKET RECOGNITION

The Group was granted an **A** rating appraised by MSCI ESG^(Note)

The Group received a **B** grade for "Climate Change" from Carbon Disclosure Project ("CDP")

The Group was selected for the first time in the S&P Global Sustainability Yearbook (China Edition) 2024

Note: Neither Bosideng's use of any MSCI ESG Research LLC or its related companies (MSCI) data nor any use of the MSCI logos, trademarks, service label or index names herein constitutes any form of sponsorship, endorsement, recommendation or promotion of Bosideng by MSCI. The services and data provided by MSCI are the property of MSCI or its information providers, and are provided in strict accordance with the standard of "no modification, no tampering", thus the authenticity of such information is not guaranteed. The name and logo of MSCI are its trademarks or service label.

PERFORMANCE REVIEW



ESG MANAGEMENT

- Establishment of a comprehensive and disciplined **"1+3+X" ESG** strategic framework and governance structure
- Carbon target to achieve **net zero emissions** from operations by **2038**
- Over **1,100** stakeholders participated in the research on ESG material issues
- Business ethics and anti-corruption training** targeted at all employees at the high and middle levels of the Group were conducted



NATURE POSITIVE

- 100%** of our down apparel obtained Responsible Down Standard (RDS) certificates, **75%** of our down apparel obtained the ecological textile OEKO-TEX® certificates, and **58%** of our down apparel obtained the bluesign® certificates
- Prepared the Task Force on Climate-Related Financial Disclosures (**TCFD**) Report for the first time
- Completed the verification for scope 1, scope 2 and scope 3 greenhouse gas emissions and obtained the ISO 14064-1:2018 **certification** (reasonable assurance level)
- Obtained independent practitioners' limited assurance report
- With self-developed GIMS system, we have realized the **full-process traceability** of raw materials
- The photovoltaic power generation of the logistics park was approximately **900 MWh**
- Initiated the fourth phase of the Alxa carbon neutral forest project, with a planned total afforestation area of **1,000 mu**



PRODUCT POSITIVE

- Bosideng applied for **545** patents with **971 patents** registered in total
- The Supplier Chemicals Control Manual** has been developed to enhance the requirements for chemical control by suppliers
- Developed the **Restricted Substances List Requirements for Chemicals of Bosideng** to clarify the prohibited and restricted substances for Chemicals and relevant requirements of restriction, phase-out and substitution
- Joining the **Zero Discharge of Hazardous Chemicals (ZDHC)**
- Established the **Policy for Responsible Procurement**, requiring suppliers to comply with environmental and social responsibility standards to the greatest extent, and gradually improved and increased the proportion of sustainable raw materials according to requirements
- Market disability rate standard for our products has been reduced to below **0.08%** (with the market disability rate standard of high-end products to below **0.035%**)
- Our environmentally-friendly and zero-pressure down apparel was awarded the **German Red Dot Design Award**; new degradable fabric was awarded the **ISPO – Global Design Award** (Accelerated Eco)
- Multiple down jackets and sun-protective clothing products have achieved **zero-carbon status** due to their low-carbon and environmentally friendly product attributes



PEOPLE POSITIVE

- The percentage of female management (including senior management and general management) **exceeded 50.0%**, up by approximately **1.8 percentage points** as compared to the corresponding period of last year
- The coverage ratio of employee training reached **100%**, and total training hours completed by employees was **178,000 hours**
- Bosideng Business School invested more than **RMB10 million** in employee training and further studies
- The seventh tranche of equity incentives was granted, including a total of **589.88 million share options** and award shares, covering **170** core employees
- 100%** of employees and suppliers received training on business ethical standards and anti-corruption
- 8** sessions of supplier training were provided, covering **144** suppliers
- The coverage ratio of suppliers audited reached **100%**, and cooperation with suppliers with excellent labor management was expressly prioritized
- As of FY2023/24, Bosideng Charity Foundation donated more than **RMB1.4 billion** to the society, benefiting approximately **1,589,000** people

1. ABOUT BOSIDENG

1.1 GROUP PROFILE

Bosideng is a renowned operator with down apparel brands in the PRC. It was founded in 1976 and focuses on the development and management of a down apparel brand portfolio, mainly including the research, design and development, raw material procurement, outsourcing production and marketing and distribution of branded down apparel products, OEM products, ladieswear and other products.

The Company has been listed on the Main Board of the Stock Exchange since October 2007 (stock code: 3998).

With a focus on its down apparel business, the Group is dedicated to becoming a down apparel expert widely recognized by consumers and leading the development of the industry. Currently, the Group's down apparel brands include Bosideng, Snow Flying and Bengen. Noncore businesses include the OEM management business, ladieswear business and diversified apparel business. The customers of the OEM management business are mainly famous European and American brands. The Group's ladieswear brands include JESSIE, BUOU, KOREANO and KLOVA, and the diversified apparel business mainly includes its school uniform business, with Sameite as the uniform brand.

1.2 OUR CULTURE

MISSION

Warming the people of the World

VISION

Becoming the world's leading fashionable apparel group with functional technology

CORE VALUES

Customer Foremost,
Opening and Innovation,
Valuing Results,
Striving for the best

BRAND POSITIONING OF BOSIDENG

The world's leading expert of down apparel

1.3 MAJOR BRANDS

In Bosideng, our brands connect people in a warm manner, which has a positive impact on our community and the planet in various ways. We always adhere to the mission of warming the people of the world with ingenuity and quality, sincere service, technological innovation as well as value symbiosis to establish customers' love and trust for a better life.



Bosideng has been dedicating to the research and development, design and production of down apparel for 48 years. Each piece of down apparel goes through at least 150 processes. Over the years, Bosideng has continued to innovate in down, fabrics, craftsmanship and patterns, and its down apparel is widely praised at home and abroad for its quality, warmth and style. According to the statistics jointly released by the China General Chamber of Commerce and the China National Commercial Information Center, Bosideng has maintained a significant lead in the industry in terms of sales in the PRC for the past 29 consecutive years (1995 - 2023).



Adhering to the brand concept of "inclusive and beautiful life", Snow Flying always insists on taking user needs as the basis and is committed to creating user value. With its brand positioning of "vitality, fashion and sport" and its brand personality leading the lifestyle of young consumers in the new era, Snow Flying has become a highly popular down apparel brand.



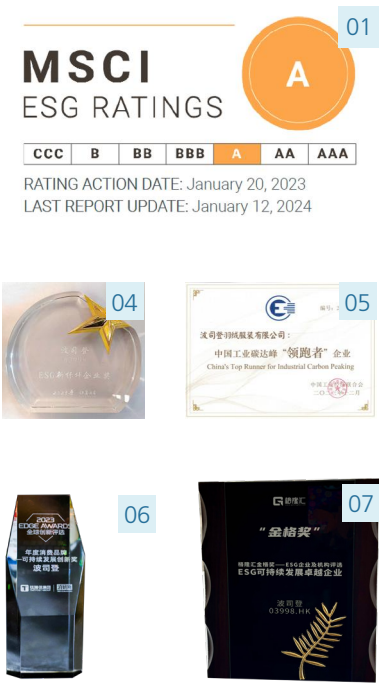
Taking the value-for-money fashion experience as its brand positioning and taking "fashion, good quality and preferentiality" as its core values, Bengen advocates a fashionable lifestyle. It is favored by women of the new era who pursue high cost-effectiveness, love life, and are enthusiastic about fashion.



1.4 REWARDS AND RECOGNITION

ESG RATINGS OR AWARDS

- 01A rating appraised by MSCI ESG (Environmental, Social and Governance)
- 02CDP 2023 Climate Change Score B
- 03Selected for the first time in the S&P Global Sustainability Yearbook (China Edition) 2024
- 04Awarded the "2023 New Benchmark Enterprise Award for ESG" by the Power of www.stockstar.com
- 05Awarded the "China Industrial Carbon Peak Pioneer Enterprise" by the China Federation of Industrial Economics
- 06Awarded the "2023 Annual Consumer Brand Innovation Award for Sustainable Development" by the TMTPost Media Group
- 07Awarded the Jinge Award of GuruClub - the selection of annual ESG enterprises and organizations as "Excellent Enterprise for ESG Sustainability"



RESEARCH AND DEVELOPMENT INNOVATIONS

- 08Awarded the "Gold Award for Outstanding Product Design" at the German Design Award 2023 (Comfort Outdoor Down Clothing) in the Sports, Outdoor Activity and Leisure category by the German Design Council
- 09Awarded the "Top 10 Innovative Textile Products 2023" (Fashionable Products: Comfortable for Outdoor Use) by the China National Textile And Apparel Council



R&D INNOVATIONS

- 10Awarded the "Top 10 Innovative Textile Products 2023" (Outdoor Camping Products: Outdoor Camping UV Protective Clothing) by the China National Textile And Apparel Council
- 11Awarded the "Top 10 Innovative Textile Products 2023" (Sun Guard 2.0) (骄阳 2.0) by the China National Textile And Apparel Council
- 12Awarded the "Advanced Model for Digital Transformation in Consumer Goods Industry in 2023" by the China Light Industry Information Center



STANDARDIZATION OR CERTIFICATION

- 13Drafting Unit of Association Standard under the "Guidelines for Carbon Peak and Carbon Neutrality Work of Enterprises Based on ESG Evaluation"
- 14The corporate standard of Mountaineering Lite Down Apparels (《登峰 Lite 羽绒服装》) was evaluated and awarded the 2023 Enterprise Standard "Forerunner"
- 15The laboratory was authorized by the International Down and Feather Bureau (IDFB) in 2024
- 16The membership certificate of the International Down and Feather Bureau (IDFB)



1.4 REWARDS AND RECOGNITION

SOCIAL RESPONSIBILITY

17

Awarded "Zhenshan Award (臻善獎) of 2023 "by Shanghai United Media Group and Jiemian.com

18

Awarded "2023 Top 50 Enterprises Achieving Excellent Development" (2023 好公司 50 卓越發展大獎) by Shanghai United Media Group and Jiemian.com

19

Awarded "Best CSR Top 30 of 2024 Best Happiness Enterprises" by FESCO, The Economic Observer and Positive Psychology Research Center, School of Social Sciences, Tsinghua University jointly

20

Awarded "AAAAA Enterprise in Corporate Social Responsibility Evaluation" by the China Light Industry Enterprise Management Association

21

Awarded "2023-2024 Most Respected Enterprise" by The Economic Observer

22

Awarded "Corporate of Zhenshan Award (臻善企業大獎) of 2023 " by Shanghai United Media Group and Jiemian.com

23

Awarded the "Annual Most Socially Responsible Listed Company" by The Power of www.stockstar.com (證券之星資本力量) in 2023

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23

BEST EMPLOYER

24

Awarded the "2023 Management Award of China in Memory of Peter F. Drucker" at the 2023 Management Forum in China in Memory of Peter F. Drucker

25

Awarded "2023 Best Employer" by CHIRC

24

25

BEST EMPLOYER

26

Awarded the "2023 Top Graduate Employer" by 51Job

27

Awarded the "2023 Excellent Human Resources Management Awards" by 51Job

28

Awarded "China Preferred Employer of 2023" by Zhi Lian Hiring

29

Awarded "Annual Employer Contribution in China - Top 50 Employers for Job Creation in China" and "Top 100 Employers" by ChinaHR

30

Awarded "Top Graduate Employer Brands of 2024" by 51Job

31

Awarded "2023 Best Employer in Suzhou of 2023" by Zhi Lian Hiring

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INVESTOR RELATIONS

32

Awarded the "Annual Most Valuable Company" by The Power of www.stockstar.com (證券之星資本力量) in 2023

33

Awarded the "Annual Most Popular Listed Company" by The Power of www.stockstar.com (證券之星資本力量) in 2023

34

Awarded the "Best IR Company (Mid Cap)" by HKIRA 2023

35

Awarded the "2023 Annual Investment Value Award" in the Jinge Award of GuruClub for "Annual Outstanding Companies"

36

Awarded the Xueqiu (雪球) Annual Gold List "Top 100 Influentially Listed Companies" in 2023

37

Awarded the "Best Listed Company in Hong Kong Stock Connect" in the 8th Zhitongcaijing (智通財經) Market Annual Conference and Listed Company Award Ceremony

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2. OUR ESG STRATEGIC GOALS

2.1 ESG STRATEGIES

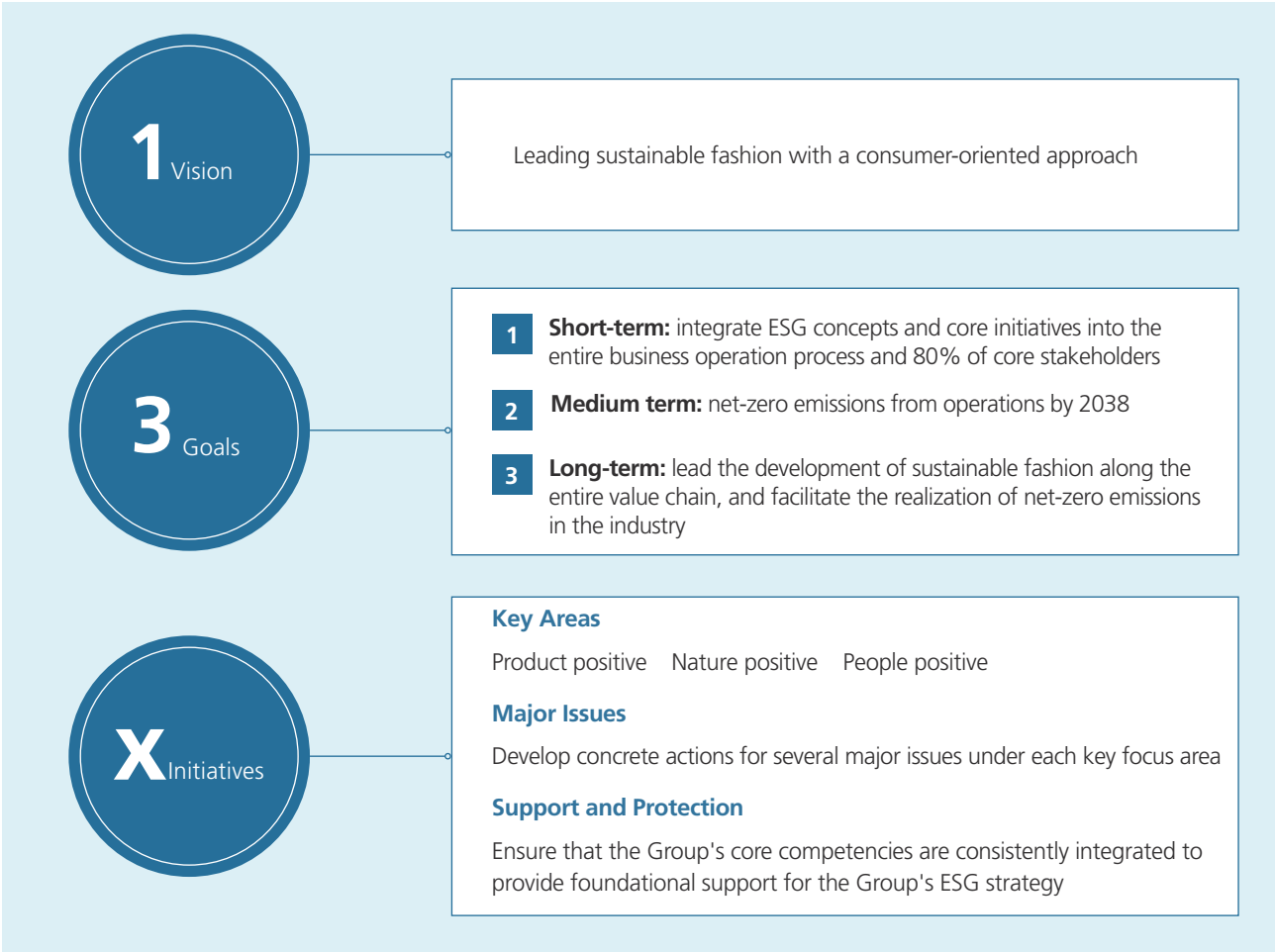
Under the guidance of the UN Sustainable Development Goals and China's "3060" Double Carbon Target, sustainable fashion is not only a trend, but also a shared challenge that the textile and apparel industry must confront. In the face of the challenges of global climate change and resource scarcity, Bosideng, as a leading down apparel enterprise, is deeply aware that enterprises have the responsibility to take the initiative to assume social, environmental and governance responsibilities, as well as to realize a revolution of sustainable fashion,

promote sustainable lifestyles and consumption patterns, so as to contribute to proactively responding to climate change. Based on this concept, we have constructed the ESG strategic framework of "1+3+X" by focusing on "1 vision, 3 goals and X initiatives", and put forward the ESG vision of "leading sustainable fashion with a consumer-oriented approach". The ESG vision is committed to satisfying consumers' pursuit of fashion, while at the same time promoting environmental protection, improving social well-being and

leading the development of sustainable fashion along the entire value chain. We have set short-, medium- and long-term ESG goals and developed X identified and potential initiatives based on these goals. By focusing on the three key areas of "product positive, nature positive and people positive" and the key issues under each area, coupled with a support and guarantee system, we are gradually progressing and realising the full coverage of green management to really consolidate our ESG capabilities.

• Strategic framework of 1+3+X

Constructing Bosideng's ESG strategy with "1 vision, 3 goals and X initiatives", i.e., "1+3+X" strategy.

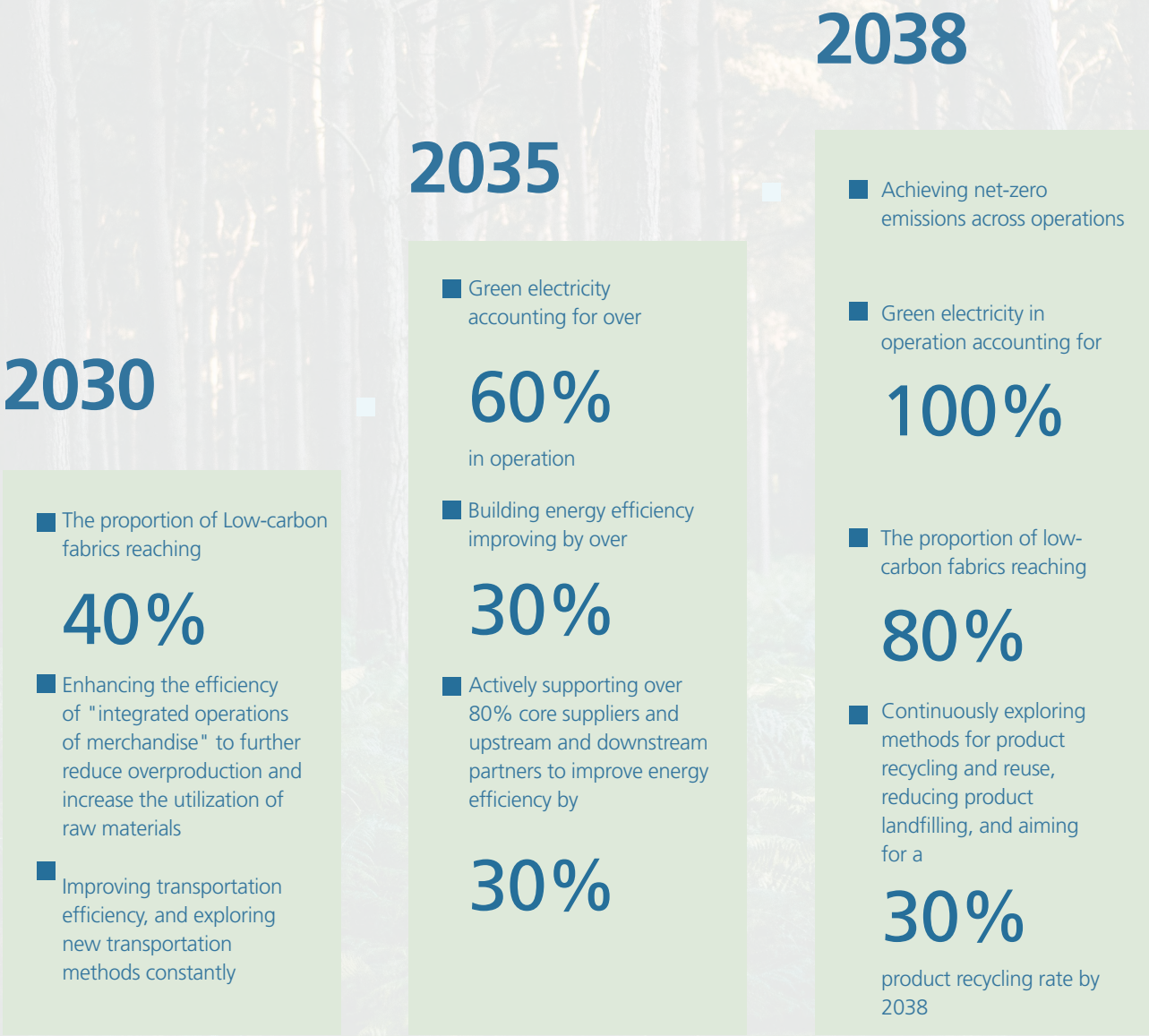


2.2 ZERO-CARBON TARGET

In response to the challenges posed by climate change and to promote the low-carbon transformation in the industry, Bosideng has put forward the goal of "achieving net-zero emissions in its operations by 2038" by referring to the Science Based Targets initiative (SBTi) as well as analyzing the trends of climate

change and industry development, and the Company's technological reserves. We are committed to advancing carbon reduction initiatives along the entire value chain, and comprehensively improving the Group's low-carbon performance leveraging a series of innovative measures and strategic investments,

thereby leading the sustainable development of fashion throughout the entire value chain and driving the industry towards net-zero emissions. We will create a greener and lower-carbon environment together with our partners in the future.



* Core suppliers represent those providing down jackets/down/fabrics



3.ESG MANAGEMENT

Bosideng comprehensively deepened its governance and enhanced its ESG governance, demonstrating its sustainable and high-quality development as an industry-leading enterprise in the three dimensions of environmental, social and governance. Bosideng has established and improved its ESG governance structure and systematically integrated ESG practices into its daily operations. Bosideng continuously strengthens its internal control and supervision mechanisms to prevent operational and management risks.

16

PEACE, JUSTICE
AND STRONG
INSTITUTIONS

17

PARTNERSHIPS
FOR THE GOALS

3.1 GOVERNANCE STRUCTURE

3.1.1 ESG governance

Sound ESG governance is essential to enhancing the Group's sustainable development performance, while also ensuring the effective assessment and management of ESG-related risks (including climate change) and opportunities. ESG-related matters are supervised by the board of directors of the Company (the "Board"). The Group has established a sound and rigorous ESG governance structure to assist the Board in supervising ESG-related matters and to incorporate ESG considerations into the day-to-day operations of the Group.

The Board holds ultimate and full responsibility for the Group's overall sustainability direction, strategy, objectives, performance and reporting. The Board has set up a Sustainability Steering Group, which is led by the senior management with cross-departmental collaboration, and is responsible for assisting the Board in assessing and formulating sustainable development objectives and pathways, and promoting the effective implementation of the Group's sustainable development efforts. The Sustainability Steering Group is chaired by Mr. Gao Dekang,

the Chairman of the Board and the CEO of the Company. The Chairman of the Sustainability Steering Group is mainly responsible for setting the Group's sustainability vision, overall direction, objectives and strategies; identifying, monitoring and evaluating key ESG issues that may affect the business operations and performance of the Group; as well as reviewing the sustainability progress of respective departments. Members of the Sustainability Steering Group are comprised of various heads of departments involved with the Group's ESG governance, including the Board Office and Capital Market Center, Supply Chain Management Center, Business Division, Logistics, Financial Management, Human Resources, Information Technology, Product Research and Development, Internal Audit, Legal Compliance, Administration and Party Affairs.

The Sustainability Steering Group regularly reviews and communicates its work, implements and adjusts, if necessary, the strategies and specific ESG measures across the Group, and regularly reports to the Board on the progress of implementation and takes into consideration their advice and suggestions. The Board will also further adjust the Group's other strategic planning, business model and other decision-making processes based on the work progress and review results. Through

formulating ESG-related policies, inviting stakeholders to participate in the communication, evaluation and feedback of important issues, establishing a risk management monitoring system, improving the quality and richness of ESG information disclosure, improving various aspects of the implementation of the Group's sustainability efforts, and reviewing the effectiveness of the improvements, the Group has formed a closed loop of ESG governance to promote its sustainable and high-quality development.

In addition, the Sustainability Steering Group also maintains close communication with external consultants to continuously promote capacity-building in sustainable development, as well as deepen the understanding of industry development trends, regulatory requirements and the demands of capital markets. The Board and the Group's management are also encouraged to participate in external training sessions or seminars.

During the Year, the Board has deliberated on ESG-related issues and has reviewed and approved Bosideng's "1+3+X" strategic framework and objectives, which provide strategic guidance and action directions for the future development of the Group's ESG initiatives.



3. ESG MANAGEMENT

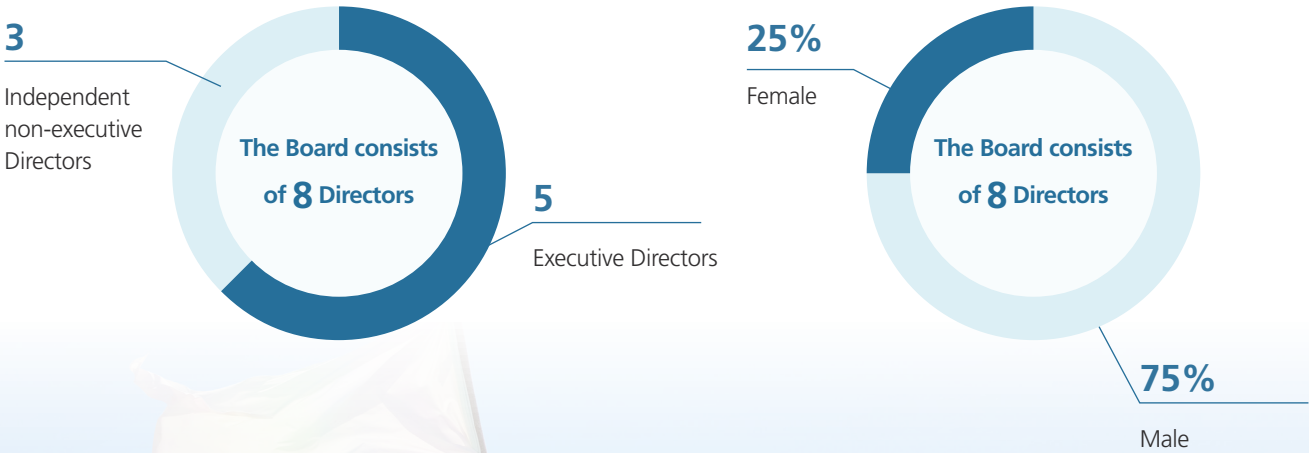


3.1.2 Corporate governance

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices and emphasize accountability and transparency. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of its shareholders and to fulfill its commitment to excellence in corporate governance. In order to ensure the effectiveness and standardization of corporate governance, the Board consists of the Audit Committee, the Remuneration Committee and the Nomination Committee. The Board adopts the Board Diversity Policy and strives to improve transparency in the selection process of the members

of the Board. It endeavors to ensure that the Board has a balance of skills, experience and a diversity of perspectives that are appropriate to the requirements of the Company's business. The Board comprises eight Directors, including five executive Directors and three independent non-executive Directors, among which, the proportion of females accounts for 25% of the Board. The Board built the "Mechanisms to Ensure Independent Views and Input are Available to the Board of Directors". These mechanisms are to ensure that the Board has a strong independent element, is capable of effectively making independent judgments, and has access to independent views and input.




The Group focuses on creating long-term and sustainable growth value for its shareholders. It has formulated a "Shareholders' Communication Policy" (<http://company.bosideng.com>) and actively maintains dialogue with shareholders through various means such as shareholders' meetings, results releases, roadshows and reverse roadshows, site inspections, strategy conferences and one-on-one communications to ensure that shareholders are updated on the Group's latest business dynamics, development strategies and prospects, and incorporates shareholders' feedback into the Company's long-term strategy process. To enable shareholders to share in the Company's profits and protect their interests, the Group maintains a stable dividend payout ratio every year.






3. ESG MANAGEMENT

3.2 STAKEHOLDER ENGAGEMENT

We value and respect the different views of internal and external stakeholders to accelerate our progress towards achieving the United Nations' Sustainable Development Goals ("SDGs"). We define stakeholders as persons, groups or organizations that affect and/or are affected by our business operations, which mainly include employees, customers and consumers, suppliers and partners, shareholders and investors, the government and regulators, communities and the public, etc. We conduct sustainable, open and transparent communication with stakeholders through various ways of communication to understand their changing expectations towards the Group's business and enable opportunities to refine our sustainability approach. During the Year, we continued to regularly contact the major stakeholder groups through various means to ensure effective communication on issues of concern to stakeholders.

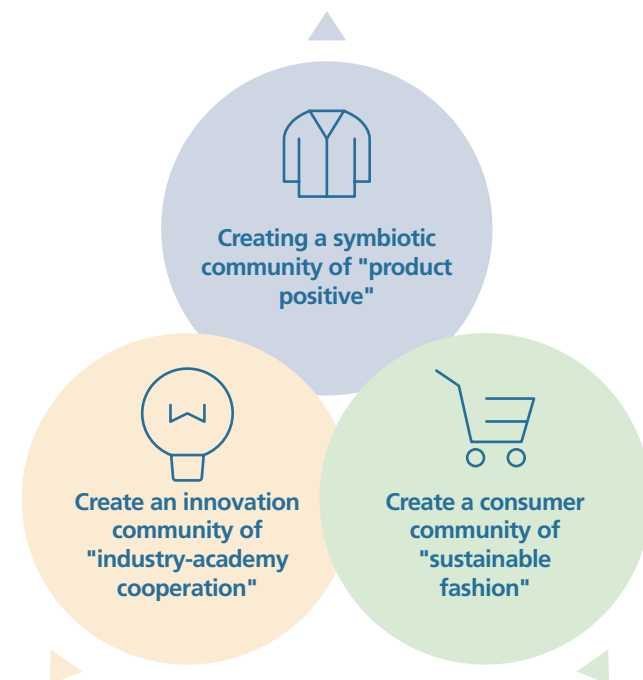
STAKEHOLDERS	COMMUNICATION CHANNELS	FOCUSES
<div> Employees</div>	<ul style="list-style-type: none">• Company intranet• Training and workshops• Employee satisfaction surveys• Labor union and employee representative congress• Various seminars	<ul style="list-style-type: none">• Employees' remuneration and benefits• Vocational empowerment and fair promotion• Employees' rights assurance• Building a diversified workplace
<div> Customers and consumers</div>	<ul style="list-style-type: none">• Customer visits• Exhibitions• Customer surveys• Customer service center and hotlines• Customer reviews on official WeChat account and Tmall's flagship stores	<ul style="list-style-type: none">• Product quality and customers' rights protection• Customer experience and communication• Privacy protection and information safety• Customers' relationship management
<div> Suppliers and partners</div>	<ul style="list-style-type: none">• Site inspection• Industry conferences• Suppliers' conferences• E-mail, telephone and WeChat	<ul style="list-style-type: none">• Product upgrades and innovation in service• Innovative cooperation and win-win development

STAKEHOLDERS	COMMUNICATION CHANNELS	FOCUSES
<div> Shareholders and investors</div>	<ul style="list-style-type: none">• Shareholders' meetings• Results releases• Company's announcements, circulars and reports• Site inspections• Roadshows and reverse roadshows• Strategy conferences• One-on-one communications• E-mail, telephone, WeChat and the Company's website	<ul style="list-style-type: none">• Operating results• Stable operations to prevent and control risks• Transparent information and promotion of disclosure quality
<div> The government and regulators</div>	<ul style="list-style-type: none">• Regular communication with regulatory authorities• Regular reporting• Guidance and scrutiny• Special research• On-site inspections	<ul style="list-style-type: none">• Operation compliance• Payment of taxes according to law• Employment promotion• Focus on carbon neutrality, achieving green development
<div> Communities and the public</div>	<ul style="list-style-type: none">• Carrying out volunteer activities• Community investment through the Bosideng Charity Foundation• Anti-epidemic and disaster relief	<ul style="list-style-type: none">• Community relations maintenance• Participating in big community/charity events• Supporting local economic development• Devoting to charity, building a harmonious society

3. ESG MANAGEMENT

Through ongoing communication and deep collaboration with stakeholders, we have gradually established a multi-dimensional approach to community development, jointly advancing ESG initiatives with Bosideng and leveraging the strengths of the industry and society.

Actively participating in the drafting of relevant policies and standards, etc., working with well-known brands and IPs to carry out co-branded projects, and innovating zero-carbon product matrix to solidify the brand positioning of down jacket experts. See Chapter 5.1.1 "R&D and Innovation" for details.



Promoting breakthrough innovation and development in the down jacket industry through industrial research, fabric development, product innovation, industry summits, school-enterprise cooperation, etc. See Chapter 4.1.2 "Climate Actions" for details.



Providing consumers with green products and services, helping consumers develop green consumption habits, and building interactions platform for green environmental protection and sustainable fashion development. See Chapter 6.3.4 "Creating a sustainable fashionable consumer community" for details.



3.3 MATERIALITY ASSESSMENT

As part of the stakeholders' engagement policy, we carry out materiality assessments of ESG issues on a regular and comprehensive basis. During the Year, with the assistance of independent third-party institutions, we conducted an analysis of materiality issues with reference to the guidance provided in the GRI Standards (2021 Revision) issued by the Global Reporting Initiative (GRI) with regard to the identification of materiality issues, which have a great impact on both the enterprise and stakeholders. We collected 1,187 pieces of feedback from internal and external stakeholders through online questionnaires to identify issues that are most important to our business and stakeholders, and provide information on the ESG report and strategy of the Group. The results of our materiality analysis were reviewed and approved by the Board in June 2024.

ISSUE IDENTIFICATION

Based on the materiality matrix for FY2023/24, 22 ESG issues that stakeholders are concerned about have been identified, taking into account national macro policies, sustainable development trends, domestic and international ESG evaluation standards, and the information requirements of relevant stakeholders.

INVESTIGATION AND EVALUATION

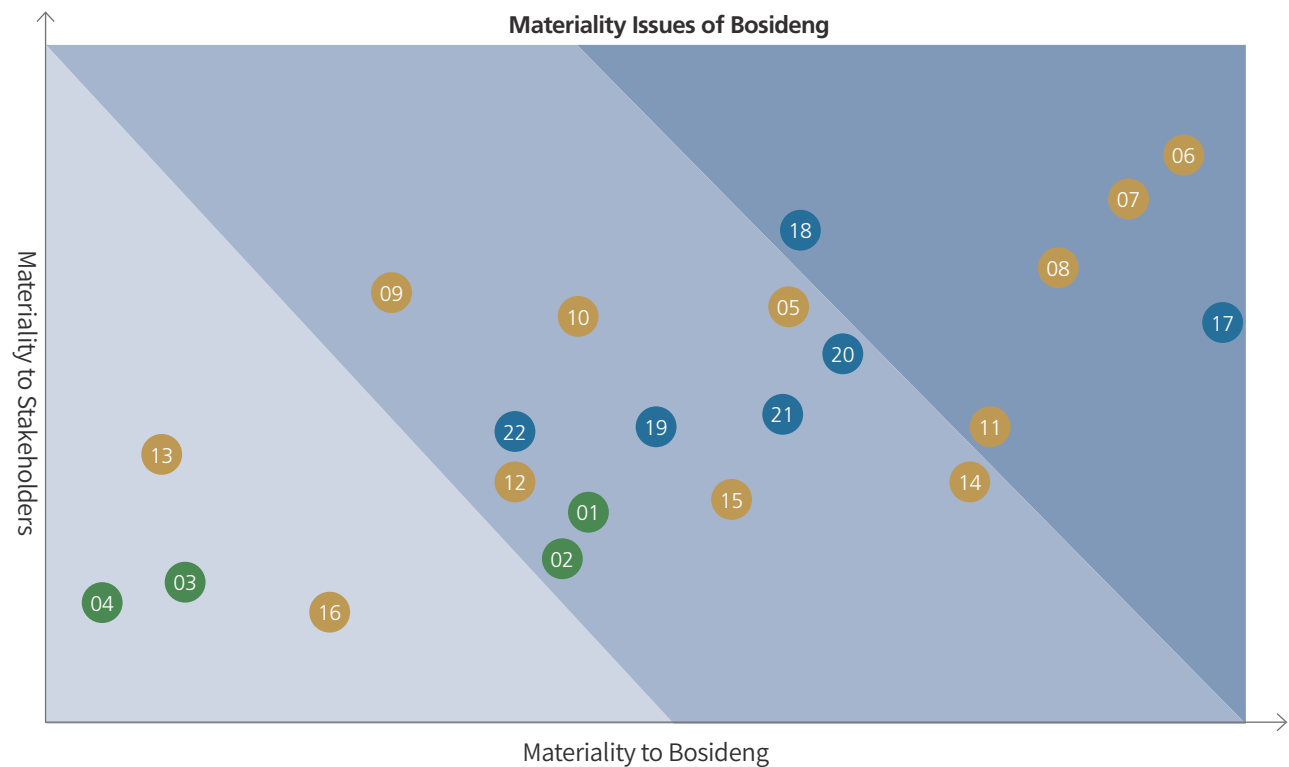
Through an online questionnaire, internal and external stakeholders such as government regulatory authorities, shareholders and investors, suppliers and partners, employees, community representatives and consumers have been invited to make us fully understand their concerns about these identified issues.

MATRIX ANALYSIS

An ESG materiality matrix has been drawn and 8 materiality issues that are of most concern to our business and stakeholders have been identified as the main areas of concern for the content of the ESG report of Bosideng during the Year, according to the evaluation results of the questionnaire survey.



3. ESG MANAGEMENT



Environmental (E)		Corresponding chapter
01	Focusing on carbon neutrality, continuing the reduction of carbon footprint of products	Ch.4
02	Combating climate change	Ch.4
03	Water resources management	Ch.4
04	Waste Management	Ch.4

Governance (G)		Corresponding chapter
17	Operating results	P.6-7
18	Building up a steady and green supply chain	Ch.4
19	Anti-corruption and anti-unfair competition	Ch.3
20	Robust operation, risk control and prevention	All chapters
21	Privacy protection and information security	Ch.3, 5
22	Communication with stakeholders	Ch.3

Social (S)		Corresponding chapter
05	Building up new business formats and new experiences	Ch.4
06	Product quality and customers' rights protection	Ch.5
07	Improving product innovation	Ch.5
08	Enhancing national brands and improving cultural confidence	Ch.5
09	Responsible procurement	Ch.5, 6
10	Efficient logistics response	Ch.4, 5
11	Marketing compliance	Ch.3, 5
12	Strengthening green management throughout the whole life cycle	Ch.4
13	Chemicals safety management	Ch.5
14	Employees' rights assurance	Ch.6
15	High quality employment	Ch.6
16	Supporting community development	Ch.6

According to the above materiality matrix analysis, the top eight issues during the Year (from high to low) have undergone the following changes compared with those of last year:

Top eight issues for FY2023/24		Top eight issues for FY2022/23	
1. Product quality and customers' rights protection	5. Building up a steady and green supply chain	1. Product quality and customers' rights protection	innovation
2. Improving product innovation	6. Building up new business formats and new experiences	5. Employees' rights assurance	5. Employees' rights assurance
3. Operating results	7. Robust operation, risk control and prevention	6. High quality employment	6. High quality employment
4. Enhancing national brands and improving cultural confidence	8. Marketing compliance	7. Building up new business formats and new experiences	7. Building up new business formats and new experiences

We identified the following features in the ranking of materiality issues in FY2023/24 as compared with that in FY2022/23:

- Issues that are important to both stakeholders and Bosideng are highly overlapped, and "Product quality and customers' rights protection" is consistently the most concerning issues for both stakeholders and Bosideng;
- During the Year, "Operating results" was added and ranked as the third most important issue, which reflects the increasing attention of Bosideng to the Company's high-quality development and value creation;
- During the Year, "Building up a steady and green supply chain" and "Robust operation, risk control and prevention" were added to the issues that are important to both stakeholders and Bosideng, which reflects the increasing attention of stakeholders for environmental protection and risk management on the basis of the Company's sound operation.

The top three issues of the Year are as follows in the view of major stakeholders:	
The Company's board members <ol style="list-style-type: none">Operating resultsMarketing complianceProduct quality and customers' rights protection/Improving product innovation/Building up a steady and green supply chain with the same score, tied for the third most important	Suppliers and partners <ol style="list-style-type: none">Building up a steady and green supply chainProduct quality and customers' rights protectionResponsible procurement
Management <ol style="list-style-type: none">Operating resultsProduct quality and customers' rights protectionImproving product innovation	Shareholders and investors <ol style="list-style-type: none">Operating resultsImproving product innovationRobust operation, risk control and prevention
Internal employees <ol style="list-style-type: none">Product quality and customers' rights protectionEnhancing national brands and improving cultural confidenceOperating results	Government and regulatory authorities <ol style="list-style-type: none">Improving product innovationProduct quality and customers' rights protectionBuilding up new business formats and new experiences
Consumers <ol style="list-style-type: none">Product quality and customers' rights protectionPrivacy protection and information securityImproving product innovation	Communities (Universities, medias and industrial organizations) <ol style="list-style-type: none">High quality employmentProduct quality and customers' rights protectionEmployees' rights assurance

3. ESG MANAGEMENT

3.4 BOSIDENG AND THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In 2015, all members of the United Nations unanimously passed the "2030 Agenda for Sustainable Development" and its 17 sustainable development goals (SDGs). The 17 SDGs widely cover the global challenges faced by today's societies, including challenges relating to poverty, inequality, climate change, environmental degradation as well as peace and justice, and clarify the global vision and priority for sustainable development. SDGs calls the world to take actions together to eliminate poverty, protect the earth and improve the

lives and future of humankind. In recent years, Bosideng has incorporated the concept of sustainable development into our long-term development strategies and actively assumed social responsibilities. We proactively benchmarked each ESG management and operation work with SDGs, focused on 16 targets out of the 17 global goals, formed 4 action segments and formulated specific actions and performance indicators. As an enterprise committed to global sustainability, Bosideng actively promotes a prosperous, equitable and high-

quality of life for stakeholders through business operations and endeavors to respond to each challenge in the sustainable development area with creativity and innovation. To enable stakeholders to have a clear understanding of our contributions to SDGs, we will continue to mark relevant SDGs by way of icons in each chapter as a way to present Bosideng's solid progress in fulfilling its original mission of "warming the people of the world" and to demonstrate our specific efforts to promote sustainable development.

The 16 SDGs relating to our operations are summarized as below:

1 NO POVERTY

NO POVERTY

Help vulnerable groups and continue to support rural revitalization through the Bosideng Charity Foundation

3 GOOD HEALTH AND WELL-BEING

GOOD HEALTH AND WELL-BEING

Obtain OHSAS 18001 occupational health and safety management system certification

Obtain ISO 45001 occupational health and safety management system standards certification

Obtain the qualification for Class II production safety standardization

Assist suppliers to ensure safe production

4 QUALITY EDUCATION

QUALITY EDUCATION

Support impoverished students through the Bosideng Charity Foundation "Xin'ai Fund (莘愛基金)"

5 GENDER EQUALITY

GENDER EQUALITY

Ensure gender equality in recruitment and employment

6 CLEAN WATER AND SANITATION

CLEAN WATER AND SANITATION

Use water-saving sanitary wares and sanitary equipment

Cultivate good water-saving habits among employees through water-saving promotion and education

7 AFFORDABLE AND CLEAN ENERGY

AFFORDABLE AND CLEAN ENERGY

Photovoltaic power generation in logistics park

Promote the use of new energy for shuttle buses

8 DECENT WORK AND ECONOMIC GROWTH

DECENT WORK AND ECONOMIC GROWTH

Ensure employees' remuneration and benefits

Examine labor performance throughout supply chains

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build a low-carbon logistics park

Strengthen technological innovation

GOVERNANCE
STRUCTURE

STAKEHOLDER
ENGAGEMENT

MATERIALITY
ASSESSMENT

BOSIDENG AND THE UNITED NATIONS
SUSTAINABLE DEVELOPMENT GOALS

RESPONSIBLE BUSINESS
PRACTICES

10 REDUCED INEQUALITIES

REDUCED INEQUALITY

Advocate equal opportunities, oppose any form of discrimination

11 SUSTAINABLE CITIES AND COMMUNITIES

SUSTAINABLE CITIES AND COMMUNITIES

Assist disadvantaged groups and provide community volunteer services

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

RESPONSIBLE CONSUMPTION AND PRODUCTION

Prioritize the purchase of certified raw materials

Cooperate with suppliers to improve environmental performance

13 CLIMATE ACTION

CLIMATE ACTION

Calculate the carbon emissions of the value chain

Widely carry out energy conservation and emission reduction actions

Promote the green transformation of the industry

14 LIFE BELOW WATER

LIFE BELOW WATER

Prioritize the purchase of down apparel with RDS certification

15 LIFE ON LAND

LIFE ON LAND

Foster the Bosideng charitable ecological forest plantation

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

PEACE, JUSTICE AND STRONG INSTITUTIONS

Information transparency

Prohibit all forms of corruption

17 PARTNERSHIPS FOR THE GOALS

PARTNERSHIPS FOR THE GOALS

Communicate with stakeholders and publish the annual ESG report

The 16 corresponding SDGs for the 4 action areas are as follows:



3. ESG MANAGEMENT

3.5 RESPONSIBLE BUSINESS PRACTICES

3.5.1 Ethics and compliance

Business compliance is an important cornerstone for the sustainable development of enterprises. Bosideng endeavors to develop an ethical and compliance culture. Honesty, integrity and compliance are the core values of Bosideng's business operations. Bosideng has developed a comprehensive internal audit system and established the audit supervision center to independently exercise internal audit supervision, anti-fraud functions and operational risk alerts. In order to ensure its independence, the audit supervision center reports directly to the president of the Group and is not subject to the interference of other departments and individuals within the Company. The internal auditors play a key role in three dimensions, including the Company's investment risk control and supervision, operation and management risk control and supervision, and operational risk control and supervision, and independently audit, supervise and assess the truthfulness, compliance and efficiency of all internal operating management and financial incomes and expenses within the Group. The Group also undertakes to strictly comply with the tax laws and

regulations of the countries in which it operates.

The Board assumes its responsibility for the risk management and internal control systems, reviewing and maintaining a sound and effective internal audit function of the Group. The Board reviews its internal control and risk management systems on a half-year basis through the Audit Committee and the Company has an internal audit function to ensure that the systems are effective and adequate. One of the three independent non-executive Directors has expertise in risk management and is also the Chairman of the Audit Committee. The Group reminds the directors to maintain adequate internal control measures and make appropriate risk assessment by sharing the latest case studies of listed companies issued by the Stock Exchange and the Securities and Futures Commission.

Bosideng strictly complied with the Prevention of Bribery Ordinance and relevant laws and regulations, established an internal Policy on Anti-corruption (<http://sustainability.bosideng.com>), and strictly prohibited any bribery and corruption behaviors which harm our fair competitive environment. The Company requires all employees to sign the Employee Integrity Commitment (《員工廉潔承諾書》), pledging to comply with the law and uphold integrity, and performs their work in accordance with the business ethical standards required by the Code of Conduct for the Company's Employees and rules and regulations. In addition, depending on the level of risk, the auditors will conduct ethical standard audits for

each department and subsidiary from time to time. We conduct ethics training and ethics audits across the Group at least once every three years, and arrange auditors to supervise major issues throughout the process, so as to further strengthen the Company's internal control and business ethical risk management. All Bosideng staff, the Board and third parties operating business on our behalf have responsibilities to understand and comply with our policy on anti-corruption to support our commitment to high ethical standards.

Adhering to the enterprise spirit of integrity and self-discipline, Bosideng provides comprehensive guidance on ethics and compliance responsibilities through a multi-level and all-round internal anti-corruption education system. We provide mandatory induction training on anti-corruption for new employees (including part-time and contractual employees) and regularly conduct business ethics training to improve their awareness of corruption risks and applicable anti-corruption laws and to avoid unintentional violations. 100% of employees have received the training on business ethical standards. We also provide key training for the Company's core departments, core positions, and core personnel. In August 2023, the Company organized on-site training on business ethics for the Group's finance staff at the Beijing National Accounting Institute to strengthen their awareness of professional ethics and compliance. In September 2023, Bosideng utilized its online platform to provide business ethics training to its sales staff nationwide to ensure that the


education on business ethics is widely accepted and accessible. In addition, the Company requires all employees above the level of managers to sign the Work Atmosphere Commitment (《工作風氣承諾書》) and reiterate their commitment at the "2024 Conduct Establishment of Bosideng Group and Pep Rally for Spring Festival" to prohibit employees from taking any form of bribery and using company resources for personal gain while taking advantage of their positions, obey laws and regulations, and work with honesty and integrity.

In terms of external cooperation, as a member of the "Anti-Fraud Alliance" and the "Trust and Integrity Enterprise Alliance", Bosideng actively participates in industry self-regulation and promotes the healthy development of the industry. During the Year, we conducted training on business ethics at the annual meeting of suppliers. In the course of cooperation with suppliers, we require

all suppliers to sign the Supplier Integrity Commitment (《供應商廉潔承諾書》) and specify the reporting channels in the procurement contracts and sales contracts to ensure that no potential illegal behaviors such as bribery, claim, fraud or money-laundering could exist during the procurement process to the maximum extent.

Also, Bosideng encourages its employees or third parties to express doubts or put forward questions through a variety of channels, including letters, email and phone calls, and sets up a "president's mailbox" on every office floor and the official website of Bosideng brand to help us identify, process and solve problems in a timely manner, and establish trust with our customers, suppliers and business partners. We take a zero-tolerance attitude towards retaliation for any kind of reporting of actual or potential misconducts in good faith.

The informant can make a report in the following manners:

-  Letter: clearly marked "opened by the addressee only" in a sealed envelope and sent to: Bosideng headquarters building, Bosideng Industrial Park, Baimao, Changshu, Jiangsu Province, China, and received by the director of the audit supervision center of Bosideng International Holdings Limited
-  Email: shenjijiancha@bosideng.com
-  Tel: (86)512 5253 8888 ext. 806517

For more information on how to make reports, please refer to our whistleblowing policy (<http://sustainability.bosideng.com>).

The audit committee of the Company has assigned the audit supervision center to supervise and implement the daily operations of the whistleblowing policy; whereas the audit committee retains the responsibility for monitoring and reviewing the effectiveness of the said policy.

During the Year, the Group was not aware of any major violations relating to anti-corruption and fair competition.



3.5.2 Privacy

Our relationship with customers is based on trust. Customers choose our products and believe that we will treat their shared personal data in a prudent and respectful manner. If properly handled, such information may help us to handle transactions, answer questions raised by customers, identify fraud and improve our services. Bosideng abides by relevant laws and regulations such as the Law of the People's Republic of China on the Protection of Consumer Rights and Interests and the Personal Information Protection Law of the People's Republic of China, and strictly implements the strictest legal requirements in the regions where it operates. The Privacy Policies formulated by us specify the purposes, means and scope of individual customer information collected and used as well as the relevant customers' rights. Furthermore, in order to protect information security, we have taken a series of safety protection measures such as data encryption and data masking and other technologies to ensure the security and confidentiality of customers' personal data. Meanwhile, we have formulated specific customer

information management systems and operating regulations with a view to having a systematic management in the formulation of policies and systems, work implementation and management monitoring. The management of customers' private information is performed by the Group's Legal Affairs Center, Information Technology Management Center and each brand business unit at all levels. Bosideng explicitly informs customers of the collection details of their personal information in the Private Protection Agreement, and such information will only be collected and used in a limited way with the express consent from the customer. In order to reduce the risk of information abuse, Bosideng encrypts the information in the customer relationship management system by technical ways to ensure the absolute confidentiality of critical information (such as member accounts and telephone calls). The Company revises the Privacy Protection Agreement in line with the updates on laws and regulations and the needs of market activities as and when appropriate, so as to ensure that the collection and processing of information is legal and compliant, and is authorized by consumers at all times.

In terms of information storage and management, Bosideng has implemented geographic and hierarchical access in regards to the control of information. Consumer information in different regions is collected and stored by the regional commissioner, and the regional manager is directly responsible for the protection of consumer information in that region. For customers who sign up for membership and participate in campaigns of the Company, Bosideng strictly limits their access to information. Local managers only have authorities to access to local data, and different levels of managers' access rights are also restricted, thus greatly enhancing the protection of consumer information. Furthermore, we have actively enhanced our staff's understanding of information security. We have conducted various information security awareness campaigns and initiatives, as well as knowledge dissemination, and have encouraged our staff to proactively report potential information security concerns to build up an atmosphere of information security culture. During the Year, no violations relating to consumer privacy protection occurred.



4. NATURE POSITIVE

As a renowned down apparel brand, Bosideng is committed to shouldering environmental responsibilities amid operation. The Company practically implements raw material management, energy resource management, packing material control, and supply chain optimization and other measures to mitigate the impact on the environment. Bosideng actively promotes the sustainable development strategy, and strives to make contributions to the sustainable future of the Earth through scientific and technological innovation as well as green manufacturing.

6

CLEAN WATER AND SANITATION

7

AFFORDABLE AND CLEAN ENERGY

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

13

CLIMATE ACTION

14

LIFE BELOW WATER

15

LIFE ON LAND

4.1 CLIMATE RESPONSIBILITY

As a garment enterprise, Bosideng has long been aware that our business is suffering from the risks and opportunities brought by climate change. Taking green transformation as our goal, on one hand, we adapt to climate change by managing the operational risks from climate change, and on the other hand, we make our best efforts to mitigate climate change by reducing the carbon emissions in our business.

Environment Policy

Compliance with regulations

To comply with the requirements of domestic laws and regulations on environmental protection and the international environmental protection conventions to which China is a party, and the environmental protection and safety requirements of the exporting countries or regions of the Group's products. The Company had no environmental violations during the Year.

Technological innovation

To help enterprises achieve green transformation through the use of advanced scientific means such as material R&D innovation, process technology innovation, functional technology innovation and digital intelligence empowerment.

Energy conservation and emission reduction

To strengthen energy resource management, keep the energy resource consumption low in the same industry; control and reduce pollutant emissions.

Environmental protection

To expand the Company's environmental management from the pollution prevention and control stage to the environmental protection stage.

Continuous improvement

Continuous improvement of environmental protection issues in process operation and development, and continuous improvement of management level.

Pollution prevention

To actively advocate and implement green processes and products, and prevent and control the generation and discharge of pollutants in production and business activities and products.

4.1.1TCFD Report

According to the Provisional State of the Global Climate 2023 released by the World Meteorological Organization, 2023 is the warmest year on record, with climate change having a profound impact on the global economy, society and the environment. In light of the worsening climate crisis, the 28th United Nations Climate Change Conference highlighted the conditions and actions required to achieve the 1.5℃ climate goals as set out in the Paris Agreement, so as to provide important guidance and impetus for facilitating climate action on an ongoing basis.

The sustainability of the textile and apparel industry is one of the most important areas for the world to achieve the goals of the Paris Agreement. With the growing global concern about climate change, the textile and apparel industry is receiving

widespread attention due to its high carbon emissions during production, distribution and consumption. In response to the concerns of various sectors, Bosideng has integrated climate governance into the Group's daily operations by disclosing the Group's efforts to tackle climate change from four aspects: governance, strategy, risk management, as well as goals and performance, with reference to the disclosure recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD).

• TCFD Governance

Governance Structure

In order to effectively respond to the risks and opportunities brought about by climate change, Bosideng has integrated climate governance into its ESG governance structure by fully considering the impacts of climate change on strategy, business and

finance during its daily operations. We have established an ESG governance structure comprised of the Board, the Sustainability Steering Group and various executive departments. Under the leadership of senior management, various departments work together to facilitate the effective implementation of the Group's climate-related work.



4. NATURE POSITIVE

Bosideng's governance structure in response to the climate

Decision-Making	Board of Directors	<ul style="list-style-type: none">Approve the Group's overall ESG strategy and report, and take ultimate and full responsibility for the overall direction, strategy, objectives, performance and reporting of the Group's sustainable development
Management	Sustainability Steering Group	<ul style="list-style-type: none">Chaired by the chairman of the Board with members comprised of the heads of various departments related to ESG governanceResponsible for formulating the Group's ESG objectives, strategy, work plans etc. related to climate change, identifying, monitoring and examining important ESG issues, risks and opportunities that may affect the business operations and performance of the Group, and report the same to the Board on a regular basisSupervise and review the Group's ESG policies, practices, framework and management approach related to climate change, and propose improvements to the Board
Implementation	All Departments	<ul style="list-style-type: none">Promote effective implementation and integration of the Group's sustainable development strategy and action plan within the department, and evaluate ESG risks or opportunities identified by employees from the department in the course of their work and corresponding solutions

Board Governance Mechanism

A well-established climate governance structure lays a solid foundation for addressing the risks and opportunities of climate change. We have established a climate governance structure led by the Board, in which climate change is incorporated into the Group's overall strategy and aligned with the Group's long-term objectives. At the same time, the Group has established a comprehensive climate risk assessment mechanism to analyze long-, medium- and short-term climate risks and opportunities, as well as to formulate relevant measures, with a view to addressing the potential impacts of physical and transformational risks on the Group. The Sustainability Steering Group under the Board is responsible for overseeing the implementation of the Company's climate action plan and goals. To make climate action more transparent, we regularly disclose climate-related information, including greenhouse gas emissions, reduction targets and their progress. In addition, the Group supports the Board and the management to actively participate in external seminars and trainings to continuously enhance their awareness and abilities to cope with climate change.

TCFD Strategy and Risk Management

Risk Management

Policies on Climate Risk Identification

In the context of global climate change, the climate-related risks and opportunities encountered by enterprises have become key factors affecting their long-term development. In recognition of this, Bosideng has taken active steps to integrate climate change factors into the Company's overall risk assessment and management framework. Through its risk management and governance system, Bosideng ensures that it is able to identify and respond to climate-related risks in a timely manner and to continuously monitor and evaluate them so that it can flexibly adjust its strategy to seek new growth opportunities under the challenges posed by climate change, thereby laying a solid foundation for the Company's long-term sustainable development.

Bosideng's Sustainability Steering Group, as Bosideng's top-level direct

management for climate change issues, is responsible for carrying out, in cooperation with the relevant departments of the Group, specific climate-related risk management tasks annually in accordance with the Guidelines on Disclosure of Climate Change-Related Financial Information of the TCFD, including identifying the types of climate-related risks that the Group may be exposed to, evaluating the potential impacts of the risks on the Group and identifying the Group's existing countermeasures and potential areas for enhancement. The Sustainability Steering Group reports annually to the Chairman of the Board on relevant work and makes recommendations. The Chairman of the Board is responsible for overseeing the management program for climate-related risks and reviewing the potential impact of climate-related risks on the Company's strategic planning, thereby providing risk oversight at a strategic level.

Climate Risk Identification Process

Risk Identification: Bosideng employs a dual approach to climate risk management, integrating both top-down and bottom-up strategies. From a top-down perspective, the Sustainability Steering Group identifies short-, medium-, and long-term climate risks that the Group may face and evaluates their impact on the Company's business by reviewing industry reports, peer disclosures, and climate publications. Concurrently, the bottom-up approach involves the Sustainability Steering Group analyzing substantive issues and actual risk events encountered during the Year to assess the climate relevance to Bosideng. The group ensures that the

assessment process is underpinned by sufficient data. When necessary, the group collaborates with other departments to conduct the risk assessment, guaranteeing a thorough and precise evaluation.

Risk Assessment: Bosideng employs a dual approach to assess and rank the types of climate risks identified, integrating both qualitative and quantitative methods. The Sustainability Steering Group determines the methodology for quantifying the probability of occurrence and the potential impact of each risk type. The group ensures that the assessment process is supported by adequate data. When necessary, the Sustainability Steering Group coordinates resources from other departments to conduct a thorough risk assessment,

ensuring that the assessment is comprehensive and accurate.

Risk Response: For the identified key climate risks, the Sustainability Steering Group will collaborate with relevant departments to evaluate the existing risk mitigation measures the Company has implemented. The group will also refer to industry reports, peer disclosures, and climate-related publications to identify the best practices for addressing these risks. By comparing Bosideng's current measures with industry best practices, the Sustainability Steering Group can assess the adequacy of Bosideng's climate risk responses, identify potential areas for improvement, and develop and implement corresponding responses and prevention measures based on the assessment results.

Climate Opportunities and Risks for Bosideng

① Physical Risks

Physical risks apply to the following climate scenarios:

Representative Concentration Pathway (RCP) 2.6: In this scenario, governments, industries, and institutions take measures such as legislation and global carbon taxes to drive significant changes in consumption patterns and lifestyles, reducing greenhouse gas emissions. This will limit the rise in average temperature by 1.5℃ .

Representative Concentration Pathway (RCP) 8.5: In this scenario, governments, industries, and institutions fail to implement sufficient policies and measures to effectively curb the continuous increase in greenhouse gas emissions. This will result in a rise in global average temperature by 4℃ or more by 2100.

Risk Classification	Climate Risks	Climate Scenario	Probability of Occur-rence	Impact Severity	Impact Duration
Acute physical risk	Increase in intensity and frequency of extreme heatwaves/cold weather	RCP 2.6	Higher	High	S M L
		RCP 8.5	High	High	S M L
Acute physical risk	Typhoons and flooding	RCP 2.6	Average	Average	S M L
		RCP 8.5	High	Average	S M L
Chronic physical risk	Global warming	RCP 2.6	Higher	High	L
		RCP 8.5	High	High	L
Chronic physical risk	Water shortage	RCP 2.6	Average	Higher	L
		RCP 8.5	High	High	L
Chronic physical risk	Ecosystem destruction	RCP 2.6	Higher	Average	L
		RCP 8.5	High	Higher	L

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② Transition risk

Transition risk applies to the following climate scenario:

IEA NZE 2050 Transformation Scenario: Assuming that the international community adheres to a rapid decarbonization pathway aligned with the 1.5℃ ambition, the global energy sector could achieve net-zero emissions by 2050.

IEA SPS Established Policy Scenario: Considers only the specific policies that have been implemented or announced by governments.

Risk Classification	Climate Risks	Climate Scenario	Probability of Occurrence	Impact Severity	Impact Duration
Policy and regulatory risk	Increasing regulatory pressure	IEA NZE 2050	Higher	Average	<div>S</div> <div>M</div>
		IEA SPS Established Policy Scenario	Average	low	<div>M</div> <div>L</div>
Policy and regulatory risk	Higher information disclosure requirements	IEA NZE 2050	High	Average	<div>S</div> <div>M</div>
		IEA SPS Established Policy Scenario	Average	low	<div>S</div>
Technology risk	Difficulty in development of green technologies	IEA NZE 2050	Average	Higher	<div>M</div> <div>L</div>
		IEA SPS Established Policy Scenario	Average	Average	<div>M</div> <div>L</div>
Technology risk	Transition to low emissions	IEA NZE 2050	High	High	<div>M</div> <div>L</div>
		IEA SPS Established Policy Scenario	low	low	<div>M</div> <div>L</div>
Market risk	Shifting consumer preferences	IEA NZE 2050	Average	Higher	<div>M</div> <div>L</div>
		IEA SPS Established Policy Scenario	Average	Average	<div>S</div>
Reputational risk	High public expectations for corporate social responsibility	IEA NZE 2050	Higher	Average	<div>M</div> <div>L</div>
		IEA SPS Established Policy Scenario	Average	Average	<div>S</div>

Legend

S

 Short term

M

 Medium term

L

 Long term

CLIMATE RESPONSIBILITY

PREFERRED MATERIALS

PACKAGING

WATER RESOURCES

WASTE

BIODIVERSITY CONSERVATION

ENVIRONMENTAL REQUIREMENTS FOR SUPPLIERS

DIGITAL INTELLIGENCE EMPOWERING LOW CARBON AND EMISSIONS REDUCTION

• The Climate-Related Risks to the Value Chain and Their Potential Financial Impacts

No.	Category of risks	Climate Risks	Value chain links impacted by climate-related risks					
			Product Research and Development	Supply Chain	Product Production	Daily Operation	Product Delivery	Product After-sales
01	Physical Risks	Increase in intensity and frequency of extreme heatwaves/cold weather	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>
02	Physical Risks	Typhoons and flooding	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>
03	Physical Risks	Global warming	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>
04	Physical Risks	Water shortage	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>
05	Physical Risks	Ecosystem destruction	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>
06	Transition risk	Increasing regulatory pressure	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>
07	Transition risk	Higher information disclosure requirements	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>
08	Transition risk	Difficulty in developing green technologies	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>
09	Transition risk	Transition to low emissions	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>
10	Transition risk	Shifting consumer preferences	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>
11	Transition risk	High public expectations of corporate social responsibility	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>	<div></div> <div></div>

Legend Impact on value chain segments High level of impact Medium level of impact Low level of impact
Relevant potential financial impacts High level of impact Medium level of impact Low level of impact

4. NATURE POSITIVE

Climate Response Strategy

As a leading brand in China's down apparel industry, Bosideng not only pursues excellence in apparel design, but is also a pioneer in "sustainable fashion". In the face of the challenges and opportunities brought by global climate change, Bosideng is actively engaging with this trend of change and integrating climate action into the core development of its brand. Through a series of innovative initiatives, Bosideng is creating a unique path to sustainable fashion. With reference to the TCFD and the Stock Exchange's guidance, we have identified climate-related risks and opportunities and analyzed their impact on Bosideng's business, strategy and finance, with a view to proposing measures to address them.

Climate risks and response measures

Category of risks		Impact factors	Impact on strategy, business and finance	Response measures
Physical risks	Acute risks	High temperatures, extreme cold and other extreme weather conditions	<p>Extreme weather may lead to changes in consumer demand for purchases. The sales forecast will become more difficult due to the impact of extreme weather;</p> <p>Extreme weather affects the supply of raw materials, such as down sourcing. It also affects production and sales cycles, resulting in higher demands on the supply chain and inventory management;</p> <p>Extreme weather may lead to an increase in Bosideng's costs in the areas of raw materials procurement, storage, logistics and transportation, thereby increasing the Company's operating risks;</p> <p>Extremely cold weather triggers closure of roads and ports, which may lead to disruptions in logistics and transportation, affecting the supply of raw materials and distribution of products;</p> <p>Extreme weather threatens the health and safety of Bosideng's employees, resulting in an impact on labor capacity and efficiency and increased labor costs.</p>	<p>Enhance the ability of the supply chain to return quickly to meet the demand for down apparel products for different climates through rapid replenishment in the event of extreme weather;</p> <p>Enhance the climate resilience of the supply chain, purchase down raw materials with RDS requirements or other certifications, assess the impact of extreme weather on raw materials production areas, and manage fluctuations in raw materials prices by, among other things, launching diversified purchasing;</p> <p>Purchase insurance to manage the potential financial losses caused by extreme weather;</p> <p>Enhance the climate resilience of office and operation areas, consider climate risks at the site selection stage, and build office and operation areas in areas with more stable climates; invest in more stable and energy-efficient temperature control systems; and install energy storage and power backup systems to prevent the risk of power outages;</p> <p>Formulate the emergency response plan, strengthen system construction and safety training on employee health and safety, and implement emergency drills, employee protection measures and welfare subsidies.</p>
	Chronic risks	Global warming		

CLIMATE RESPONSIBILITY		PREFERRED MATERIALS	PACKAGING	WATER RESOURCES	WASTE	BIODIVERSITY CONSERVATION	ENVIRONMENTAL REQUIREMENTS FOR SUPPLIERS	DIGITAL INTELLIGENCE EMPOWERING LOW CARBON AND EMISSIONS REDUCTION
Physical risks	Acute risks	Typhoons and flooding	Impact on strategy, business and finance		Response measures			
	Chronic risks	Global warming						

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Category of risks		Impact factors	Impact on business, strategy and finance	Response measures
Physical risks	Chronic risks	Water shortage	<p>Raw materials of down jackets come from geese and ducks, and their breeding cannot be separated from sufficient and clean water resources. Water shortage will affect the supply of down and increase costs;</p> <p>The operation process is inseparable from the use of water resources. Water shortage may lead to increased operating costs and affect the stability of the supply chain and operations.</p>	<p>Cooperate with upstream raw material suppliers to find innovative solutions, such as adopting innovative processes or breeding technologies to reduce the dependence on water resources in the production of raw materials and products;</p> <p>Mitigate the impact of water shortages on the supply chain by increasing the diversity of suppliers and raw materials sources;</p> <p>We regard water resource management as part of the Group's environmental management policy, and formulate water conservation goals and management plans to continuously promote normalized water conservation actions.</p>
	Chronic risks	Ecosystem destruction	<p>Ecosystem destruction will cause the breeding of animal-based raw materials and the cultivation of plant-based raw materials to face higher threats from pests and diseases. Species invasions and the reduction of natural enemies of agricultural pests will increase the difficulty of pest control and prevention of raw materials and increase the instability of Bosideng's supply chain.</p>	<p>Bosideng purchases certified raw materials to reduce the negative impact of natural materials on the ecosystem during the production process;</p> <p>We use apparel fabrics made from environmentally friendly materials, such as recycled nylon or polyester, and will continue to expand the usage proportion of such fabrics, reducing the impact of fluctuations in the supply of plant-based raw materials on the stability of the supply chain.</p>
Transition risks	Policy and regulatory risk	Stricter regulation	With increasing attention on global climate change, governments and international organizations have issued stricter environmental regulations and standards which lead to increasing risks of huge fines and business restrictions.	Bosideng keeps an eye on the climate and environmental related policies at home and abroad, so as to ensure operations complying with the latest laws and regulations. Meanwhile, in a bid to reduce negative impact caused by regulation changes, Bosideng proactively communicates with industry associations and regulators and participates in standards development.
		Increased disclosure requirements	The Stock Exchange has stipulated the requirement to disclose climate-related information for listed companies under the ESG framework. It increases the compliance pressure on listed companies, forcing them to accelerate the pace of disclosing climate-related information and promoting the quality thereof.	

Category of risks		Impact factors	Impact on business, strategy and finance	Response measures
Transition risks	Technical risk	<p>Complicated green technology R&D</p> <p>Low emission transition</p>	<p>It is essential to introduce and apply advanced green technologies for achieving carbon neutrality and reducing carbon emissions. Nonetheless, R&D and promotion of these technologies require a large investment and have the risk of failure.</p> <p>With the aim of achieving carbon goals, we need to invest in more environmentally friendly technologies and equipment, which increases our operating costs. In choosing low-emission technologies, we may be confronted with uncertainty in respect of technology that can lead to wasted earlier investment and delays in transition.</p>	<p>Bosideng enhances investments in the R&D and innovation business segments and cooperates with universities and research institutes to develop new technologies. Besides, Bosideng adopts the product strategy of rapid iteration and continuous improvement to ensure that its technical level has always been at the forefront of the industry. We manage the climate impact of our products throughout their life cycle, and develop green products by using more environmentally friendly fabrics, strictly managing chemicals, investing in energy-saving and emission reduction equipment, and developing low-carbon processes.</p>
	Market risk	Changes in consumer preferences	With consumers' increasing attention on environmental protection and sustainable fashion, they are increasingly concerned about the environmental performance of products and the social responsibility performance of manufacturers, which requires Bosideng to ensure the quality and fashion of products while improving the environmental performance of products.	<p>Enhance investments in sustainable materials and environmentally friendly technologies to satisfy consumers' demand for environmentally friendly products;</p> <p>Create a consumer community of "sustainable fashion", provide consumers with green products and services and help them cultivate green consumption habits; build a platform for interaction with consumers on green environment and sustainable fashion development.</p>
	Reputational risk	High expectation of public on corporate social and environmental responsibility	As society pays more attention to environmental issues such as climate change, it will have a negative impact on business reputation if Bosideng fails to meet the public's expectations on corporate social and environmental responsibility.	<p>By formulating sustainable development directions in all aspects of the value chain, Bosideng conducts open and transparent communication with stakeholders in diverse manner;</p> <p>By regularly releasing detailed ESG reports, industry reports and communications, etc., Bosideng demonstrates its actions and achievements in environmental protection and social responsibility to the public.</p>

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Climate opportunities

Category of risks	Impact factors
Improving energy efficiency	Energy conservation and emission reduction: With the global concern on climate change, improving energy efficiency has become an important task for enterprises. By developing emission reduction measures for all links in the value chain, Bosideng is committed to reducing energy consumption and lowering greenhouse gas emissions.
Clean energy utilization	Renewable energy: As the climate change problem has intensified, an increasing number of enterprises and consumers tend to use renewable energy. We have considered increasing the use of clean energy sources such as photovoltaic power, solar power and wind power, so as to decrease the dependence on fossil fuels and help achieve the carbon goals.
Innovative products and services	<p>Innovative product development: Climate change has promoted the change in market demand for warm and cold-resistant products. We will develop products corresponding to different climate conditions, such as down apparel with better thermal insulation performance and light jackets fit for warm climate.</p> <p>Enhancing service quality: Emphasizing the concepts of sustainability and environmental protection in product design and services, e.g. using recyclable materials and providing product repair and recycling services, will increase consumers' loyalty to our brand and our market competitiveness.</p>
Expanding to new markets	<p>New market development: Due to global climate change, the climatic zones of some regions have changed. For these emerging markets, Bosideng can design and promote products fit for the local climate, thereby expanding new market space.</p> <p>Brand influence: By actively responding to the challenge of climate change and taking effective measures to reduce our impact on the environment, we continue to enhance our brand image as a responsible enterprise to attract more environmentally conscious consumers.</p>
Enhancing corporate resilience	<p>Flexible supply chain: Facing the uncertainties caused by climate change, Bosideng will build a more flexible and resilient supply chain, in a bid to tackle the impact of extreme weather and natural disasters and ensure the stableness of production and supply.</p> <p>Emergency management system: We will establish a comprehensive emergency management system, including an emergency production plan and logistics arrangement, to quickly respond to sudden climate events and minimize our loss.</p>
Innovation of digital intelligence	Digital and intelligent operations: We will continuously increase the investment in smart manufacturing, smart logistics, smart merchandise management and other fields, aiming to improve the Company's operational efficiency and promote green development through digitalization and intelligentization.

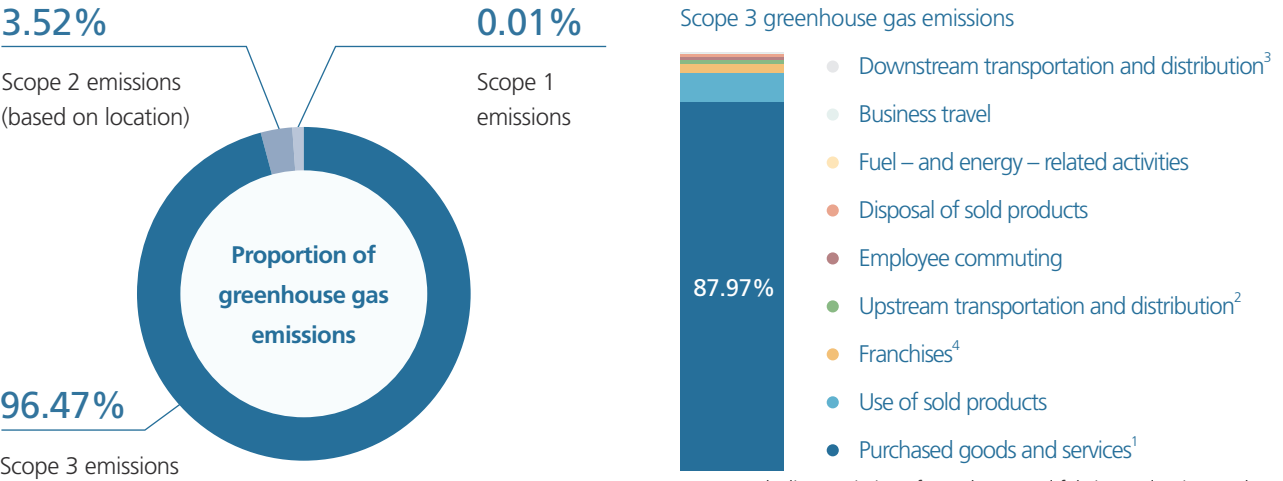
INDICATORS AND OBJECTIVES

Since FY2020/21, the Group has been organizing regular inventory work of greenhouse gas emissions within the organizational scope and reporting scope and reporting climate-related performance through the CDP climate questionnaire on an annual basis. The Group's major sources of greenhouse gas emissions include: purchased goods and services, use of sold products and purchased electricity.

Bosideng's greenhouse gas emission data for the last three years

Greenhouse gas emissions				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Scope 1 and 2 emissions	tonnes	45,714.9	36,267.8	31,346.2
Scope 1 and 2 emission density	tonnes/RMB million revenue	2.7	2.9	2.7
Scope 1 emissions	tonnes	140.9	89.1	117.7
Scope 2 emissions	tonnes	45,574.0	36,178.8	31,228.5
Scope 3 emissions	tonnes	1,249,652.6	758,418.5	—*

* During FY2020/21, the Group cooperated with external certification authorities to verify Scope 3 emissions.



* We cooperated with external certification authorities to verify Scope 1, Scope 2 and Scope 3 greenhouse gas emissions of our branded down apparel business in mainland China based on office operations of operational control, logistics parks and retail outlets, for the period from April 1, 2023 to March 31, 2024, and have obtained ISO 14064-1:2018 (reasonable assurance level).

- Including emissions from down and fabric production and garment processing
 - Including emissions generated from inbound logistics before products are sold, outbound logistics, transportations between company-owned equipments, operation of outsourced warehouse area, and express delivery after products are sold
 - Including emissions from the operation of agent warehouse area
 - Including emissions from our franchise operations

We keep focusing on and collect specific information and data on energy consumption and carbon emissions from our suppliers at least once a year, and analyze the data collected, to advocate and support the use of green energy by suppliers. During the Year, the coverage of energy consumption and carbon emission collection from suppliers reached 100%, and the major co-operative suppliers of the Group accounted for approximately 25% of the total number of all co-operative suppliers.

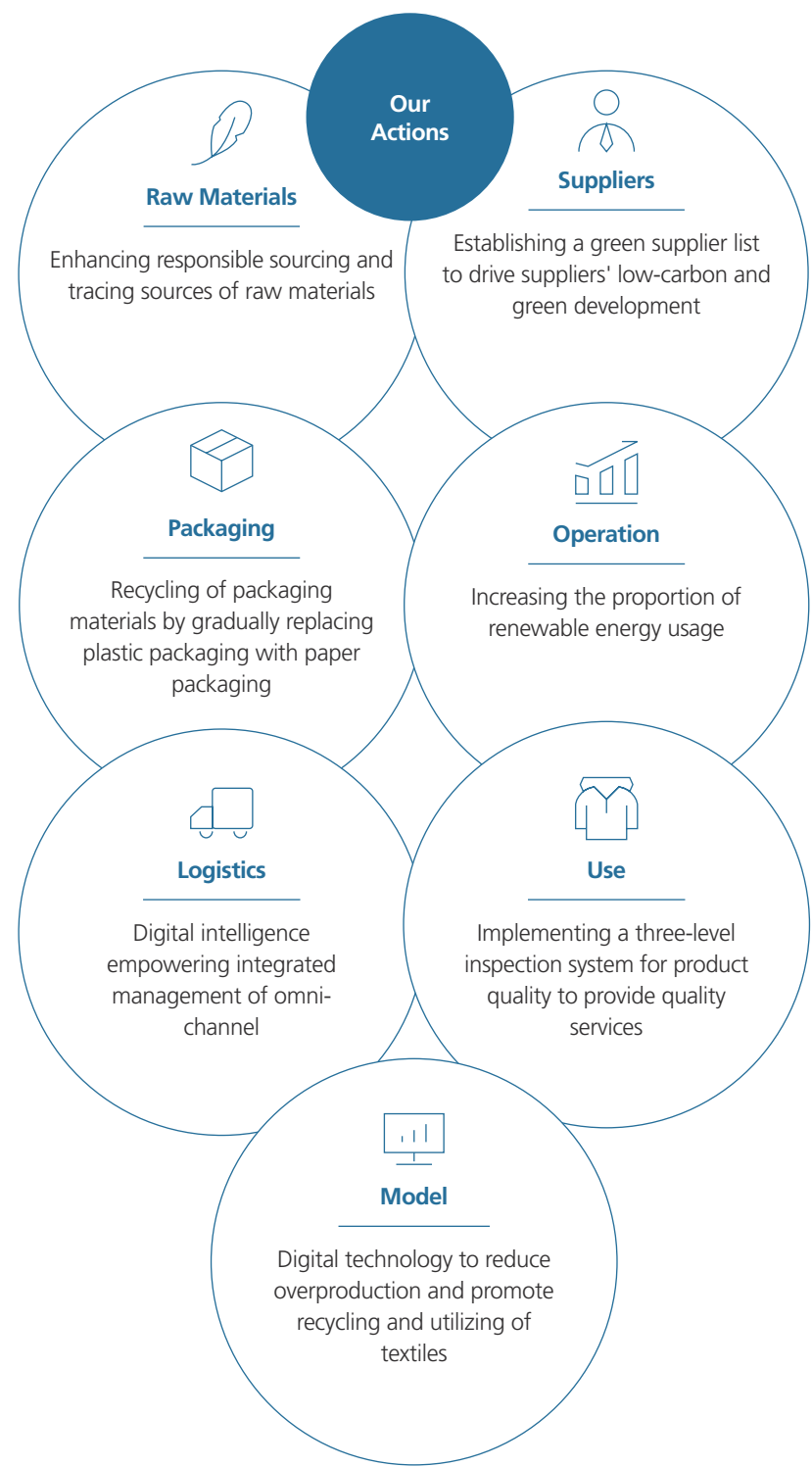
Attained verification of ISO 14064-1:2018 (reasonable assurance level)

During the Year, based on the Group's actual greenhouse gas emissions and business nature, combined with the study and judgment on climate change, industry trends and the Company's technology reserves, we set a scientific and robust climate target: Bosideng will achieve net-zero emissions from operations by 2038.

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4.1.2 Climate actions

As China is aiming to achieve carbon-peaking by 2030 and carbon neutrality by 2060, we actively take climate actions to reduce our greenhouse gas emissions and promote our initiatives to net-zero emission mainly in three aspects, being improving energy efficiency in our own operations and supply chain, expanding the use of renewable electricity in our own operations, and using more environmentally friendly fabrics in our products.



• Energy efficiency

We see improving energy efficiency as an important initiative to reduce the impact of climate change. We identify the most cost-effective links and ways to reduce emissions throughout our operations based on our emissions concerns.

Logistics park

- Intelligently matching the delivery resources for each order to ensure short delivery distance and time at a reasonable cost, in a bid to promote low carbon and emission reduction;
- Tracking the products through RFID technology to improve the efficiency of warehousing, logistics and transportation, and reduce the energy consumption in the process of production and logistics.

Administration

- Advocating green paper use and paperless office, improving paper use efficiency, promoting more use of recycled paper and enhancing paper recycling;
- Advocating water conservation, purchasing water-saving appliances, and timely managing water leakage and other situations;
- Practicing energy and electricity conservation, scientifically setting elevator operation during peak hours and turning off the power supply for unnecessary equipment in time.

Retail stores

- Adopting environmentally-friendly materials for renovation, and using renewable or recyclable building materials to reduce the environmental impact of store operation. The stores of Bosideng adopt galvanized steel plate, high quality rubber, polyvinyl chloride, polyurethane and other thermal insulation materials so that their heating requirements in winter are lower than other retail stores;
- Applying energy-saving luminaires and high-efficiency air-conditioning and heating systems to reduce energy consumption. In 2023, all self-operated stores under Bosideng brand employed LED lights, which saved approximately 40% of electricity compared with traditional energy-saving lights. The core and key projects adopted "intelligent lighting control to realize low-carbon capability", which further saved 5% of electricity. Stores used air-conditioning inverter equipment and intelligent temperature control system, which saved approximately 30% of electricity compared with the traditional air-conditioning mode;
- Giving priority to buildings with green building certification as operating venues to ensure that its retail stores meet the requirements of energy saving and emission reduction during construction and operation; and increasing the coverage of new stores in green shopping malls with a target of over 90%;
- Providing energy-saving training for store staff to ensure that resources such as water and electricity are saved in daily operations.



Suppliers

- Facilitation of fuel decarbonization and energy electrification in upstream plants, and provision of strategic guidance and technical support for suppliers to gradually phase out coal-fired equipment;
- Construction of a comprehensive management system to improve suppliers' energy consumption and carbon emissions, promoting the construction of suppliers' environmental and energy management system certification and green supplier list, and driving suppliers' low-carbon and green development;
- Initiating and completing the carbon emission assessment of about 25% of core suppliers, and carrying out targeted carbon reduction planning and training;
- Issuance of an open letter on environmental and social responsibility to suppliers, which sets out requirements for their environmental protection, energy conservation and safety production, incorporation of low-carbon and green and sustainable development into the contract, clear requirements for that low-carbon, green and sustainable development is a key factor in cooperation between the parties, and that suppliers are to actively take measures to achieve low-carbon emission reduction and green development in the operation, and protect the environment;
- Optimization and upgrade of the Supplier Cooperation Manual, continuously encouraging them to give priority to the production process that meets environmental protection standards and energy-saving requirements, with low energy consumption, low pollution, non-toxicity and high resource utilization rate;
- Publicizing Bosideng's low-carbon implementation plan and supplier emission reduction targets at the annual supplier meeting, and proposing a target of 10% renewable electricity uplift for suppliers by the end of April 2025, to promote low-carbon and green development of suppliers.

• Renewable electricity

Bosideng has installed photovoltaic power generation equipment on the roofs of warehouses in the logistics park in East China. In FY2023/24, the photovoltaic power generation of the logistics park was 894 MWh, representing approximately 18% of the total power consumption of the logistics park; the total electricity consumption of green electricity (solar energy) of the Group was approximately 76.4 kWh.



• Low carbon environmental fabric

While meeting customer needs and expectations, Bosideng promotes the research and development and use of low-carbon fabrics and technology fabrics. We actively look for more eco-friendly and green alternative materials to make our products comfortable, high-quality and environmentally friendly. We provide our products with low-carbon property from the stage of raw material procurement, so as to promote lower carbon product manufacturing and create excellent environmental benefits.

During the Year, Bosideng conducted R&D and completed innovation for multiple types of bio-based fabrics, integrating recycled and biodegradable film materials. Through sophisticated design and ingenuity, Bosideng has created high-performance fabrics of botanical origin, which won ISPO Textrends awards in many categories. In particular, 100% bio-based nylon fabrics won the Global Selection Award in the Film and Coating category, single bio-based fabrics won the Top 10 Product Award in the Functional Finishing category, and new high-elastic fabrics won the Top 10 Product Award in the Film and Coating category.

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CASE

New environmental fabrics

Bosideng's newly developed eco-friendly fabric is made of 100% bio-based nylon and bio-based spandex, which effectively reduces the carbon footprint by 23%. The fabric is also made of high-performance bio-based film material, which ensures its windproof abilities and rainproof abilities, quickly exports sweat and maintains comfortable microcirculation inside and outside the human body. It has the characteristics of four-sided elasticity, waterproof, windproof, durability, moisture permeability and eco-

friendliness. This fabric has won the ISPO Textrends Top 10 Product Award in the Environmental Protection category.



Promoting green transformation of the industry, creating an innovation community of "industry-university-research"

Under the global consensus of carbon neutrality, Bosideng regards promoting the green transformation of the industry as its responsibility. In November 2023, Bosideng launched the report of "Marching Toward Net-zero Emission: Research on High-quality Low-carbon Transformation Path of the Down Apparel Industry" with the China Feather and Down Industrial Association, which, from the professional perspective of a zero carbon economy, provides sufficient path exploration and guidance on the direction of low-carbon transformation, such as improving the efficiency of the down clothing industry's value chain, promoting decarbonization in the industry, and expanding climate contributions outside the value chain.

At the same time, Bosideng has been actively involved in formulation of green development standards for the textile industry, leading the industry's green transformation and sustainable development. In recent years, Bosideng has participated in the formulation of standards such as the Enterprise ESG Evaluation System T/CERDS 3-2022, the Carbon Neutrality Quantification and Reporting Requirements of Textile Products T/CSTE 0295-2022, the Carbon Neutrality Implementation and Reporting Requirements for Textile Enterprises T/CSTE 0294-2022 and the Guidelines for Enterprise Carbon Peaking and Carbon Neutrality Based on ESG Evaluation T/CIET 313-2023.

In September 2023, Bosideng participated in the Official Side Event of the United Nations Summit on Sustainable Development Goals (SDGs) and was one of the first to sign the "Industry and Commerce in Action - Consensus on Sustainable Industrial Development" initiative in support of the United Nations 2030 Agenda for Sustainable Development, pledging to take pragmatic actions to promote the high-quality development of enterprises.

In May 2024, Bosideng attended the third "Climate & Innovation X Fashion Summit" of the China National Textile and Apparel Council. The China National Textile and Apparel Council and the China Textile Information Center announced that they support Bosideng to join the "China Brand 30•60 Carbon Neutrality Acceleration Program" and become a member of the program organization, to jointly promote China's textile industry to cope with climate change challenges and commit to achieving a sustainable and eco-friendly industrial future, and seeking a harmonious coexistence between human beings and nature. This cooperation marks the substantial progress of Bosideng in the process of moving towards the goal of sustainable and high-quality development.



CLIMATE RESPONSIBILITY	PREFERRED MATERIALS	PACKAGING	WATER RESOURCES	WASTE	BIODIVERSITY CONSERVATION	ENVIRONMENTAL REQUIREMENTS FOR SUPPLIERS	DIGITAL INTELLIGENCE EMPOWERING LOW CARBON AND EMISSIONS REDUCTION
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Bosideng carbon neutral forest

Bosideng has taken concrete actions to implement the "dual carbon" strategy and green and low-carbon transformation, and actively responded to global ecological challenges such as climate change. In March 2021, Bosideng joined hands with Tengger Desert Border Base to promote the ecological public welfare project - Bosideng Carbon Neutral Forest, aiming to mitigate environmental problems by improving the ecological environment. This project was located in a desert-covered land in Tonggunaoer, Alxa East County, Inner Mongolia. After three years of dedication, it afforested an ecological public welfare forest of 3,000 shrubs, with gross areas of 60 mu, helping Alxa promote desertification prevention and control, soil and water conservation, and ecological restoration projects.

In 2024, Bosideng visited Tengger Desert Border Base once again to inspect the achievements of the ecological public welfare forest and launched the Bosideng carbon neutral forest (Phase IV) project. This project aims to afforest a total area of 1,000 mu, including 200 mu per year for five consecutive years, with 10,000 flowers plantlet (holes) planted, gradually realizing "restoring damaged land and living in harmony with nature". The Bosideng carbon neutral forest (Phase IV) project has been launched, which was selected as "2023 Excellent Practice Cases of Green and Low-carbon Development of Enterprises". By increasing the green area and afforestation, Bosideng has cultivated "green hope" to prevent the eastward expansion of the Tengger Desert and reduce land desertification, laying a solid foundation for moving towards carbon neutrality and high-quality development.



Bosideng Carbon Neutral Forest



Launch of Phase IV of the Carbon Neutral Forest Project

4. NATURE POSITIVE

4.2 PREFERRED MATERIALS

Bosideng is a sustainable fashion practitioner and upholds the principle of responsible procurement. We ensure our commitment to sustainable development is reflected in every aspect of our products, from the source to the finished products, through strict supply chain management and transparent procurement processes.

4.2.1 Important raw materials

We use our self-developed GIMS system to monitor the input and consumption of raw materials, ensuring the transparency and sustainability of the supply chain. Bosideng tracks the origin of raw materials, understands its production and transportation process, and prioritizes cooperation with suppliers that meet high environmental and social standards. We are committed to more responsible procurement behavior by assessing their environmental and social impact through comprehensive knowledge of raw materials.

The main raw materials used in Bosideng's down products include fabrics, lining, galls and fillers. Fabric

is the core component of clothing products and is made primarily from polyester fiber and polyamide, which determines the appearance, texture and basic shape of clothing. Lining and gall are the inner materials of our products and comprise mainly polyester fiber, which determine the comfort and warmth of clothing. Down is the major filling of our products, and comprises 90% primarily goose and duck down. Cotton (the proportion of weight used and the proportion of the total amount used are both less than 1%), as a non-primary raw material, was only used to fill the placket, bag cover, collar, and hat that are prone to friction and rubbing, so as to effectively keep the clothes upright and straight. Other commonly used materials such as zippers comprise primarily nylon, metal and resin.

Main raw materials	Relevant certifications	Certified raw materials proportion
Down	RDS	100%
	bluesign®	58%
	OEKO-TEX®	75%
Other main raw materials other than down*	Major components	The proportion of materials consumption by length
Fabric	Polyester fiber, polyamide, etc.	50%
Lining	Polyester fiber, etc.	15%
Gall material	Polyester fiber, etc.	35%

* Other main raw materials other than down exclude back lining, edge and other materials used for apparel. Among them, the cotton (as non-major raw material) used to fill a small amount of placket, bag cover, collar and hat that is prone to friction and rubbing, which is less than 1% according to the weight and share of use.



4.2.2 Responsible sourcing of critical raw materials

Down, as one of our most important raw materials, is mainly purchased by the Group. It provides lightness and warmth to our products and is also a key focus of our responsible sourcing. We want to reduce any form of animal cruelty by increasing responsible down sourcing, and provide consumers with safe and reliable down products. We have set down quality standards that are stricter than the national standards, including 3 categories which are customer-oriented key guidelines, national standard requirements and safety indicators. The Group has a laboratory authorized by the International Down and Feather Bureau (IDFB) and accredited by China National Accreditation Service for Conformity Assessment (CNAS). We promise that every batch of down will go through the SAP system for inspection and be sampled by laboratory personnel before being put into warehouse. With self-developed GIMS system, we have realized the full-process traceability of raw materials.

We have incorporated animal welfare into our responsible sourcing practices

as the key to leading sustainable consumption and enhancing brand value and international competitiveness. In terms of the sustainability and traceability of our down raw materials, we require the raw down must come from the ducks with a feeding cycle of more than 40 days or geese with a feeding cycle of more than 70 days and give priority to down suppliers certified by Responsible Down Standard (RDS) with a view to avoiding non-essential harm to animals. Bosideng is committed to ensuring that its products meet the highest ethical and strictest environmental standards. Each year, Bosideng sets and raises targets for RDS certification, pays close attention to investors' requirements and market developments, and continually improves its requirements and practices in respect of down certification and animal welfare.

To actively fulfill its commitment to responsible sourcing, Bosideng gives priority to purchasing certified sustainable raw materials, including down, nylon, cotton and leather, minimizing the negative impact on the environment and ecology from the source. For FY2023/24, 100% of the down raw materials procured by Bosideng obtained the RDS certification

and the OEKO-TEX® certification and 58% were procured from the suppliers with the bluesign® certification.

Bosideng has established the Policy for Responsible Procurement and is committed to responsibly procuring cotton and leather through consensus with its suppliers. For leather, leather suppliers are required to comply with environmental and social responsibility standards and to progressively improve the leather procurement process. As for cotton, since it is only a very small part of the raw materials (less than 1% by weight and share used) and is generally used in the neckline and lining, we also require the relevant raw material suppliers to comply with environmental and social responsibility standards when procuring cotton, and gradually increase the proportion of sustainable cotton.

In the future, Bosideng will constantly endeavour to build a responsible and sustainable supply chain and ensure that all types of raw materials in the value chain, including down, nylon, leather and cotton, comply with the requirements of the environmental and social responsibility through strict standards, regular audits and educational training, so as to provide consumers with safer and more reassuring products.

RDS

Responsible Down Standard

RDS (Responsible Down Standard) takes the humanitarian protection of animals as its starting point, encourages humanitarian treatment of ducks and geese in the supply chain by providing the best standards in the industry, ensures that down comes from non-essentially harmed animals, and establishes a traceability system, to verify that the source of down meets the RDS requirements.

Important principles for RDS certification:

- Down farms should not sell force-fed waterfowl (especially the tube feeding method often used in the production of foie gras)
- Down farms should not remove feathers from waterfowl in a live-plucking manner
- Down farms should abide by local laws on animal welfare
- Down farms should always provide clean, fresh and safe drinking water for waterfowl

- Down farms should provide sufficient space and a comfortable environment for waterfowl
- Waterfowl residence should be cleaned and disinfected regularly and thoroughly
- Down farms are required to ensure that all waterfowl over 3 days of age are certified and the source of waterfowl is traceable

4. NATURE POSITIVE

4.3 PACKAGING

In terms of the reuse of packaging materials, which Bosideng has taken into consideration at the product design stage, we continually promote the reduction and recycling of packaging materials by optimizing packaging design. We have taken a series of measures, such as reusable zip-lock plastic bags and the design of adhesive strips for shipping and return in bubble bags, so that the packaging bags can be reused after customer returns. We use recyclable or biodegradable packaging materials in our store sales to reduce the environmental impact of waste. In FY2023/24, we replaced a total of approximately 1.50 million pieces of plastic packaging with paper out-fillers, which reduced the pollution and damage caused by plastic packaging to the environment.

Warehouse

- Reuse of cartons and plastic turnover boxes in the circulation stage in the warehouse
- Adopt automatic carton packer to optimize packing and loading efficiency and avoid the use of packing tape and sealing tape

Online business

- Increase the proportion of carton packaging and reduce the proportion of bubble bag packaging
- Do not reserve handbags as much as possible or reserve them based on user needs
- Electronic documents are adopted and merged with in-house job documents

Offline business

- Reuse cartons for packaging and circulation in the packaging of goods
- Strictly control the inventory of handbags in retail stores
- Reduce the use of handbags in retail stores, design handbags to three specifications, being small, medium and large ones for lightweight/ medium thick/ thick down apparels, respectively, and make combined packing after enquiring customer demand and guiding environmental protection awareness
- Reduce the use of plastic inner membrane bags: For mid- and high-end themed products and innovative products, cancel the provision of plastic inner membrane bags when delivered to customers; for light-color products and in cloudy and rainy days, provide inner membrane bags after enquiring customer demand and guiding environmental protection awareness, and no such bags will be provided in other scenarios

4.4 WATER RESOURCES

Bosideng values the efficient use of water and regards water management as a part of its environmental management policy. We continue to promote normalized water-saving action such as prioritizing the procurement of water-saving equipment, carrying out daily inspection and timely maintenance of leaking equipment.

We strictly monitor the water consumption of the Group's premises in daily operations, require all departments to regularly report water consumption and conduct self-inspections, and implement improvement plans once an anomaly is detected. At the same time, we have strengthened the promotion of water-saving awareness among our employees, and cultivated good water-saving habits by teaching and guiding them water-saving techniques and the use and maintenance of water-saving equipment. In terms of wastewater disposal, Bosideng primarily generates domestic wastewater in its operations. Therefore, we adopt advanced wastewater disposal technology and continuously optimize the wastewater disposal process to ensure that all wastewater will only be discharged after environmental standards are met.

In addition, Bosideng also actively promote the Green Store Initiative by advocating water conservation practices in all offline stores.

CLIMATE RESPONSIBILITY

PREFERRED MATERIALS

PACKAGING

WATER RESOURCES

WASTE

BIODIVERSITY CONSERVATION

ENVIRONMENTAL REQUIREMENTS FOR SUPPLIERS

DIGITAL INTELLIGENCE EMPOWERING LOW CARBON AND EMISSIONS REDUCTION

4.5 WASTE

Bosideng has developed the Management Regulations on Waste Disposal to regulate the recycling and reprocessing of solid waste generated within the Group. Wastes generated within Bosideng can be categorized into kitchen waste, operational waste, decoration waste, production waste and a small amount of hazardous waste. We strictly abide by relevant regulations on waste management to ensure all wastes are handled in a harmless manner.

4.5.1 General waste

• Operational waste

Designated cleaners are appointed by the Group to collect domestic waste generated by each department on a daily basis, which is then gathered and transferred to the power plant for incineration, achieving 100% energy conversion. For paper, cloth and other recyclable wastes, we have set up recycling spots in various office areas of our headquarters for recycling. We also advocate paperless office and encourage employees to use renewable paper as much as possible to reduce environmental pollution.

• Decoration waste

For outsourced renovation works, we explicitly stipulate in the contract that the contractor is responsible for harmless treatment of renovation waste during the renovation process; for renovation wastes not specified in the contract, the Group has a special logistics department to arrange a team to clear and transport the wastes. In particular, the non-recyclable decoration waste is entrusted to the local sanitation

department for harmless treatment, while recyclable renovation wastes part is recovered by professional organizations for wastes recycling.

• Kitchen waste

Foods scraps come mainly from the headquarter's canteen and garbage cans in the employee dormitories, which are collected by designated personnel at designated garbage cans. The local sanitation department transfers the collected kitchen waste to garbage transfer stations, where it is then recycled according to the classification of waste.

• Production waste

Mainly comes from fabric waste, packaging materials and substandard products, including waste fabric, plastic and paper articles. All production wastes are transferred to a third-party recycling organization for unified treatment, achieving 100% recycling.

4.5.2 Hazardous waste

The hazardous waste produced by Bosideng is mainly waste acid generated in the operations of our headquarters and retail stores. We manage hazardous waste through the environmental operation management system, and assign the logistics department to collect hazardous waste and hand it over to qualified hazardous waste disposal units for disposal according to specifications. At the same time, our logistics department regularly collects the information on disposal of hazardous waste, and reports the same to government agencies through Suzhou Hazardous Waste Management System. During the Year, 42.5kg waste mineral oil and 40kg waste liquids were produced at the headquarters of Bosideng, all of which have been properly disposed of.

4.6 BIODIVERSITY CONSERVATION

Bosideng has worked hard on biodiversity conservation by actively observing requirements of laws and regulations governing biodiversity and identifying influences on biodiversity. We have considered the impact of the Company on the surrounding ecology and biodiversity right from the planning and design stage of the project. To this end, we developed a matrix of associations among all relevant activities with impacts on biodiversity, and rated them based on the extent of the impacts. As stipulated, activities exceeding the prescribed rating will not be allowed to commence or will not be permitted to commence in relevant areas, so as to ensure that business operations are as environmentally sensitive and fragile to the greatest extent possible, thus minimizing the impact on the environment and the ecosystem.

4. NATURE POSITIVE

4.7 ENVIRONMENTAL REQUIREMENTS FOR SUPPLIERS

Bosideng attaches great importance to the environmental responsibility of suppliers, and is committed to building and maintaining a sustainable supply system. When selecting suppliers, we not only look at their product quality, but also assess their environmental performance stringently, and require them to actively take relevant environmental protection measures during their operations.

We assess and carry out secondary treatment for pollutants discharged (wastewater, waste gas, solid waste, noise, etc.). We also require suppliers to comply with national, local, and industry regulations and relevant requirements on energy conservation and environmental protection during the production process, to ensure compliance with the maximum standard for emissions in the area in which we operate. During the Year, we identified five leading supplier profiles and developed a Template of 5 Capabilities Leading Evaluation of Resource (《資源五項能力領先評審範本》), which covers environmental management, clean energy, system certification, etc., and specifies the standards for suppliers' social responsibility and environment assessment requirements. We require suppliers to reduce the use of hazardous substances, cut down on emissions of wastewater and waste gases, properly dispose of solid waste and phase out coal-fired power generation units. Bosideng encourages innovative and sustainable manufacturing techniques, and keeps on promoting the use of dyeing processes with low energy consumption and fluorine-free processes by suppliers, as well as the application of environmentally friendly technologies along the supply chain to protect environment and the health of

consumers. In order to compile statistics on the certification and implementation of suppliers' environment-related systems, we have established a Supplier System Certification Statistical Table. In FY 2023/24, the coverage rate of ISO 14001/ ISO 50001/ ISO 45001/ GRS/ RDS/ OEKO-TEX®/ ISO 9001 was approximately 27%.

On this basis, Bosideng has made a Supplier Basic Information Research Sheet (《供方基本情況調研表》) to compile statistics on 25% of the suppliers to have a basic understanding of the ESG management of the suppliers. Based on the statistical results, we awarded bonus points to suppliers with good environmental safety performance and with an environmental management system or an energy management system. In addition, Bosideng issued an open letter on environmental and social responsibility to suppliers, which clearly tells of the inclusion of low-carbon, green and sustainable development in the contract. We require suppliers to use non-pollution production processes and equipment, and conduct annual reviews on suppliers to collect sewage discharge permission and monitor emission compliance, so as to sustain environmental protection effects. We also issue Environmental and Energy Health Management System Requirements Survey (《環境能源安康管理體系需求調查表》) to suppliers to understand their capacity building needs in terms of environmental and social performance, and recommend professional institutions to provide guidance based on their needs, so as to better promote suppliers to develop cleaner production methods. In addition, we propose improvement requirements and standards for suppliers who fail to meet our environmental requirements, and follow up on the improvement results to ensure that they eventually meet our requirements. Jiangsu Xuezhongfei Garment Co., Ltd., an upstream supplier incubated by the Group, was included in the list of green

factories of the Ministry of Industry and Information Technology of the PRC in 2023, which is a recognition of the factory's strength in terms of energy conservation, environmental protection and green development.

Bosideng has tentatively set a target for suppliers to increase their renewable electricity use by 10% by the end of April 2025, so as to motivate suppliers to optimize their use of renewable energy and accelerate the transformation and development of green manufacturing.

For other details regarding suppliers, please refer to the section headed "6.2.3 Suppliers labor performance evaluation" in this Report.

Bosideng reduces fabric waste in the following ways

Dedicated personnel in place

For marking business of various products, we have established a dedicated CAD marking position to cater for the best marking combining our experience and the needs of different factories

Marker making by clothes styles

We conduct reasonable marking based on different clothing styles for single-piece consumption. The utilization rate of regular products is basically maintained at ≥88% net of the inherent consumption of fabrics

Customized patterns and fabrics

We pre-confirm the pattern arrangement with the supplier according to the requirements of the style, and match it with the optimal cutting solution during the pre-weaving process

CLIMATE RESPONSIBILITY	PREFERRED MATERIALS	PACKAGING	WATER RESOURCES	WASTE	BIODIVERSITY CONSERVATION	ENVIRONMENTAL REQUIREMENTS FOR SUPPLIERS	DIGITAL INTELLIGENCE EMPOWERING LOW CARBON AND EMISSIONS REDUCTION
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4.8 DIGITAL INTELLIGENCE EMPOWERING LOW CARBON AND EMISSIONS REDUCTION

4.8.1 Integrated management of omni-channels

Bosideng has achieved efficient coordination of merchandise operations through integrated management of omni-channel merchandise, which has greatly contributed to the Company's low-carbon emission reduction. We have adopted an industry-leading model of futures/goods-in-stock operation to control the first batch of orders at around 40%, whilst the proportion of the remaining orders would be adjusted flexibly according to retail sales data and trend forecasts on the market. The demand-pull replenishment, quick launch of new products and delivery of small orders in quick responses not only improve the turnover cycle and efficiency, but also ensure a quick response to market demand.

Through data integration from online and offline, self-operated retail outlets and those operated by distributors, Bosideng continued to optimize the model of delivering products with flexible and quick response, and made breakthroughs to the model of immediately supplying Top Sellers, under which we achieved an availability rate of replenishment of the Top Sellers of 99%. Thereby, we ensured no shortage of hot-moving merchandise and no production of slow-moving merchandise, thus accurately controlling the production volume and avoiding inventory backlogs.

Omni-channel integrated management maximizes our ability to address the pain points of inventory and slow-moving products in the apparel industry and reduces the

waste of excess inventory at the source. By reducing over-purchasing and inventory backlogs, Bosideng effectively reduces its carbon footprint and realizes the green development and sustainable operation of the enterprise in supply chain management.

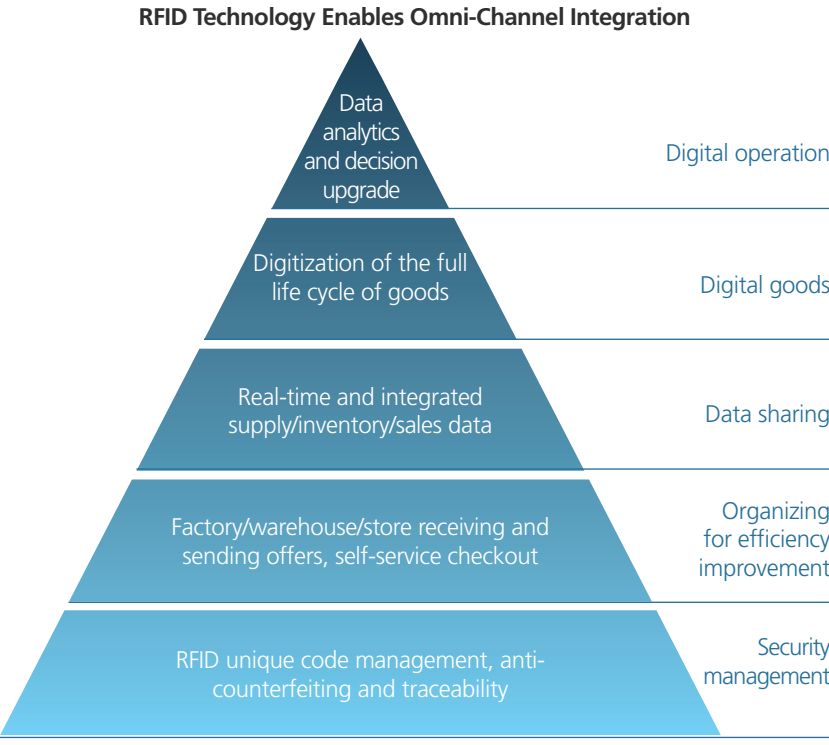
4.8.2 Warehouse logistics and intelligent delivery

In terms of logistics and delivery, the intelligent delivery system automatically matches the optimal transportation and delivery of resources for each order by continuously analyzing the flow of each order and combining the characteristics of social transportation and delivery of resources with constraints of transport cost and time limit. During the whole process, the system collects and monitors the whole process of collection, distribution, transportation and signing, etc. to ensure that each link operates efficiently. This aims to reduce as much as possible the operation time of warehouses and significantly improve the delivery speed of goods. With a reasonable cost, it also ensures the shortest distance and time period for transportation by optimizing transportation routes

and resource allocation, and pay attention to the cooperation of logistics platforms on the investment of new energy vehicles and the application of other mixed transportation modes, thus promoting the realization of our low-carbon emission reduction goals. Through intelligent scheduling and management, we are not only able to effectively reduce logistics costs and carbon emissions, but also promote the development of green logistics.

4.8.3 Electronic labelling

We also plan to integrate RFID (electronic labelling, radio frequency identification) technology into production, delivery, retail and other circulation links for the improvement of efficiency, real-time and accuracy in the inventory, packaging, storage, and transportation of goods. It serves as a basis for the digitalization of the whole life cycle of goods, and provides data analysis for the business decision-making of the enterprise. Through the scientific management mode, it also promotes the efficiency enhancement of the enterprise's omni-channel integration, and gradually realizes the low-carbon transformation.



5. PRODUCT POSITIVE

As a world leading expert in down apparel that has been focusing on this business for the 48th year, Bosideng has firmly upheld the strategic direction of "focusing on principal business and key brands" and the brand positioning of becoming the "world's leading expert in down apparel". In the context of general tendency towards domestic green development, increasingly standardized regulatory requirements and the increased external uncertainty, we continue to consolidate the four core competencies of "leading brand, innovating products, upgrading channel and adhering to high product quality and quick response" in order to enhance our development resilience to adapt to the new development environment. Meanwhile, we continue to take a lead in sustainable fashion in down industry with focus on products and consumers, providing consumers with excellent, healthy, green and safe products and services and supporting our brands with the products. Since 2020, Bosideng has continued to be selected as "Brand Finance Apparel 50" and in 2023, it was listed again and ranked the 47th in the apparel brands list.



5.1 PRODUCT MANAGEMENT

Based on its scientific technology center with a usable area of more than 10,000 sq.m., Bosideng ensures strong soft and hardware capability in research, development and testing with its nation leading polar environment simulation testing laboratory and raw material expert laboratory. Bosideng highly values product and service management and focuses on full-chain product and service quality from product design and development, to raw material selection and procurement, product process management, product quality control, product shipping and sales as well as consumer services and communication. We have also developed complete standards for quality control at each link and key point, and require our employees and partners to execute the same strictly.

5.1.1 R&D and innovation

Bosideng firmly believes that technological innovation is not only the engine of high-quality development and the driver to enhance the competitiveness of products, but also the key power for the sustainable development of the enterprise. As a pioneer in the down apparel industry, we always focus on the research and development, design and innovation of down apparel, make efforts in the field of research and development and constantly increase the investment. In addition, we continue to stimulate the leading and supporting role of scientific and technological innovation to maintain a leading position not only in product production but also the independent innovation capability.

• Technological innovation

Bosideng has been in a leading position in the industry in terms of both technological innovation and high-end raw material and insisting on playing the role of industry leader. We focus on long-term investment in scientific research and technology, and spotlight new categories, new materials and leading patents for breakthrough research. At the same time, we work closely with international high-end functional raw material suppliers and co-develop new products and new materials to further consolidate the competitiveness of our supply chain.

The Group has established a China National Accreditation Service for Conformity Assessment (CNAS) certification laboratory, a laboratory recognized by the International Down and Feather Bureau (IDFB), a provincial-level enterprise technology center and an engineering technology research center. The Group also assumes the work as a PRC council member of the IDFB, and at the International Organization for Standardization/ Garment Size Series and Coding Technology Committee Secretariat, and the National Technical Committee on Garment Standardization Down Apparel Sub-Committee Secretariat, making contributions to the development of the sub-segment of down apparel.

During the Year, Bosideng applied for 545 patents, providing patented technology and endorsement support for down apparel experts. As of March 31, 2024, Bosideng was granted 971 registered patents in total (including inventions, utility models and appearance patents).

Bosideng applied for

545 patents

As of March 31, 2024,
Bosideng was granted a total of

971
registered patents



5. PRODUCT POSITIVE

• Product innovation

Bosideng, as a leader, always focuses on consumer demand and constantly innovates and upgrades the materials, quality and process based on user needs. With consumer preferences as the key point of product innovation and through the end-to-end integrated pull-through design process, we carry out accurate development of different product series based on different use scenarios. We strive to provide consumers with new products with leading functions, leading fashion and leading technology.

In 2023, Bosideng continued to improve the development strategy of light down apparels, made further breakthroughs in technology, and overcame difficulties such as the stitching technology of different

materials and down content. While maintaining a professional level of lightness and warmth, Bosideng successfully broke through the traditional design of light down apparels by integrating down apparels with cross-border stitching of fashionable single items, such as hoodies, knits, lambswool and shirts, which realized the "perfect innovation" of light down apparels that are more diverse, more fashionable, and lighter and warmer. In the process of redefining the light down apparel, Bosideng has really opened up new opportunities for wearing a new type of cross-seasonal, multi-scenario and fashionable down apparel by integrating down apparels with cross-border century-old fashion items, unique down stitching and artistic quilting design.

Moreover, Bosideng also created the three-in-one goose down windbreakers this Year, which ensures the comfort and warmth of the down apparel and has a unique fashionable design style, enabling the consumers to wear such clothes in urban and light outdoor scenarios. With "breathing" as its keyword, the three-in-one down windbreaker adopts a heat and moisture balance system to achieve efficient moisture permeability and long-term wearing without being stuffy. It is also rainproof with the help of the outer technology. Coupled with the inside-filled high-quality goose down which is combined with heat-storing functional fabrics, the three-in-one down windbreaker helps consumers to meet the needs of scenario change when travelling.

In Bosideng's product matrix, sun-protective products, represented by sun-protective clothing, are also a key area in our quest for product innovation and breakthroughs. In 2024, we have ushered in a "sun-protective clothing 2.0 era", which breaks the single form of the traditional sun-protective clothing by integrating its professionalism with fashionability, and launched the third generation of the sun-protective clothing of Sun Guard. At the same time, Christelle Kocher, a French luxury fashion designer, has been invited to launch a capsule collection of sun-protective clothing in a first-of-its-kind cross-border collaboration. Through continuous efforts on fabrics, technological functions and wearing comfort, we strive to solve the pain points of consumers' sun-protective needs.

During the Year, Bosideng's high-end outdoor innovative series B30142230 has won the ISPO Global Design Award and the German Design Award. By pioneering a youthful and comfortable fit, along with a brand-new premium color scheme combined with fashionable technology, it achieves a breakthrough in youthful style. Moreover, by establishing a leading global AI intelligence design platform, Bosideng strives to enhance its technological digitization capabilities and cutting-edge technology verification abilities, creating technology-driven 3D products, which won the 2nd Prize for Technological Progress in the Chinese apparel industry in 2023. The "Scaling Mount Everest" product iteration upgrade has been honored with the Golden Award for Excellent Industrial Design in China. Bosideng's products have also received the prestigious Red Dot Award and IDEA Bronze Award, further highlighting our commitment to leading product innovation.

CASE



Application of recycled fabrics for one-piece mountaineering down jackets

The one-piece mountaineering down jacket from Bosideng is made of the world's first 20D recycled Cordura fabric. It is adopted the recycled material membrane material and press glue technology and has passed the GRS certification to ensure the environmental friendliness and sustainability of the product. At the same time, 40D recycled Cordura fabric is incorporated into the product to improve the abrasion resistance of the product, which makes the product durable waterproof, durable windproof and highly breathable and keeps the product dry and cool under various environments.



CASE



Thermostatic skiing down jacket

The thermostatic skiing down jacket is a high-performance garment designed specifically for skiing. Utilizing thermal moisture balance technology, it can precisely regulate body temperature, ensuring that the wearer can maintain a constant state of comfort even in cold snowy environments. This ski suit features environmentally friendly bio-based fabric—winner of the ISPO Best Product award—not only providing outstanding performance but also reducing its environmental impact. The auxiliary materials of the ski suit are made from recyclable and renewable materials. The waterproof and antibacterial down filling inside the ski suit is rigorously certified by the RDS, ensuring the sustainability and animal welfare of its sources.



5. PRODUCT POSITIVE

CASE



Technology-driven thermostatic outdoor down jacket

The technology-driven thermostatic outdoor down jacket utilizes thermal moisture balance functionality to effectively maintain stable body temperature. Its three-dimensional breathable chamber filling patent structure reduces convective air by supporting thickness, allowing the down jacket to remain lightweight while enhancing insulation. This down jacket features GORETEX ePE fluorine-free membrane technology, providing waterproof and windproof performance while minimizing environmental impact. In terms of fabric, the down jacket uses recycled yarn fabrics and black label fabrics certified by bluesign® and OEKO-TEX®, with the capability to withstand extreme weather conditions. Additionally, the technology-driven thermostatic outdoor down jacket utilizes RDS

certified waterproof antibacterial down and 3M recycled cotton for filling to ensure ethical and environmentally-friendly sourcing of down.



CASE



Closed-loop recycling lightweight functional down jacket

This product features a 100% bio-based monofilament nylon fabric, ensuring both recyclability and excellent abrasion resistance, while the filling material consists of down certified by the RDS. From the selection of raw materials to disposal, Bosideng adheres to the use of recyclable materials, ensuring a closed-loop lifecycle for its products. In terms of design, the focus is on practicality, lightweightness, and versatility across various scenarios. The product adopts a modular design, allowing for easy disassembly of components for maintenance or replacement. Moreover, through clever design,

material separation into outer fabric and down can be achieved with just three cuts, facilitating the recycling of materials. This product has won the ISPO Award, the Red Dot Award and the American IDEA Award.



Protection of intellectual property rights

Bosideng firmly believes that protecting intellectual property rights is essential for safeguarding the source of products and technological innovation. We always place great emphasis on protecting the intangible assets of technological innovation, trademarks, patents, copyrights, etc., and effectively carry out intellectual property protection through established systems and enhanced vigilance. By formulating documents such as the Measures for Management of Trademarks, the Measures for Management of Patents, the Measures for Management of Copyright and the Infringement Platform Complaint Guide, we have established standardized intellectual property management systems and digitized, process-based examination management systems, outlining clear procedures for patent application and utility process, ensuring that intellectual property management, protection, and utilization work follows a systematic, legal, and verifiable approach. Bosideng's Legal Affairs Center is responsible for trademark, patent, and copyright registration and filing work, as well as reviewing materials related to the use of intellectual property and handling intellectual property infringement cases. Additionally, we actively apply for patents and enhance our patent early warning and evasion capabilities, thereby mitigating potential infringement risks.

Bosideng actively collaborates with industry enterprises, e-commerce platforms, and intellectual property protection alliance organizations. By joining the anti-counterfeiting alliance of Alibaba, JD.com and other e-commerce platforms, as well as intellectual property protection organizations like the Beijing Anti-counterfeiting Alliance, Bosideng has

expanded the scope of its intellectual property protection efforts to the online domain, effectively combating online infringement activities. During the Year, Bosideng has lodged complaints leading to the removal of 83,000 infringing links on platforms such as Taobao, Pinduoduo, WeChat, Douyin, and Xiaohongshu, and has worked jointly with law enforcement agencies to handle 1,014 infringement litigation cases.

Additionally, we continue to enhance employees' awareness and protection capabilities regarding intellectual property rights. By organizing seminars on patent layout and providing guidance on patent writing guidelines and other activities, we have fostered a favorable atmosphere for intellectual property protection. During the Year, Bosideng was honored as a key cultivation project for outstanding copyright works in the industrial transformation of Jiangsu Province in 2023. Additionally, Bosideng received the "Outstanding Legal Team" award in the consumer products and retail as well as intellectual property (dispute and enforcement) sectors by CBLJ's "Business Law" publication.

Creating a symbiotic community of "product positive"

Bosideng is well aware that advancing towards global leadership requires the collective participation of various stakeholders. Against the backdrop of new quality-driven productivity leading high-quality development, it is essential to collaboratively address the new challenges brought about by sustainable development. Therefore, in recent years, we have actively collaborated with policymakers, industry enterprises, universities, designers, and other stakeholders to collectively enhance the "soft power" of Chinese brands and forge ahead.

In 2023, we collaborated with units such as the China National Garment Association and the China Quality Certification Center to draft and revise

various industry standard documents, including the Down Garments (GB/T14272-2021), the Professional Sports Apparel - Ski Wear, and the Green Design Product Evaluation Design Specification - Down Garments. Furthermore, Bosideng also released a range of group standards such as the Cold-resistant Clothing, the Antibacterial Down and the 6A Grade High-Quality Sunscreen Clothing, as well as national standards like the Water Resistant Garment and the Textile Pilling Resistance Test Methods, among others, leading the industry with multiple cutting-edge standards.

We have collaborated with China Aerospace, sculptor Renzhe, renowned brands and IPs such as Ultraman, Kuromi, My Little Pony, DC Heroes, and designers like ANNAKIKI and KEVIN. By linking modern and new Chinese styles, we continuously introduce more creative products to the market, driving industry trends towards youthfulness and fashionability. This approach enriches the cultural connotations of the industry and products from a cultural perspective.

Nevertheless, we actively engage in university-industry collaborations,

partnering with universities such as Donghua University, Zhejiang University, Jiangnan University, Chinese Academy of Sciences, China Polar Center, Changshu Institute of Technology, and Jiangxi Institute of Fashion Technology for joint projects. Bosideng has collaborated with Donghua University for over twenty years, deepening the university-industry cooperation in various aspects such as gathering innovative resources, developing innovative technologies, nurturing innovative talents, and advancing research on the cold-resistant functionality of down apparel products. In September 2021, the "Donghua-Bosideng Joint Innovation Research Center" was jointly established. Through the deep integration of industry, academia, and research, the collaboration strengthens technological breakthroughs and original innovation, facilitates the transformation of research outcomes, explores the establishment of a long-term collaborative mechanism to promote development, and enhances the core competitiveness of the enterprise, driving mutual growth for university-industry partnerships.



Leaders of Donghua University conducted a survey with Bosideng

5. PRODUCT POSITIVE

5.1.2 Quality assurance

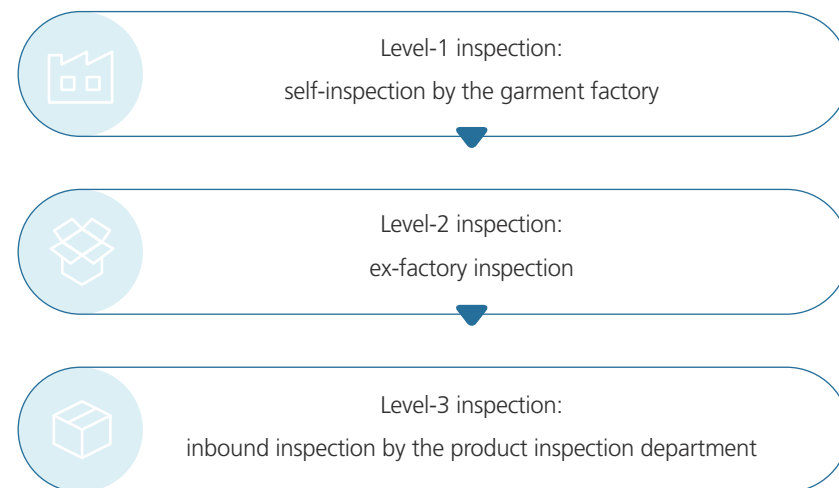
"Customer First" has always been one of Bosideng's cultural values, as we believe that customer satisfaction is key to our sustainable development. Throughout Bosideng's history, consumer protection has been a

responsibility we should uphold and actively practice. We integrate color, innovation, and quality into our brand DNA with a "Quality+" product innovation mindset, striving to provide every consumer with thoughtful and satisfactory services and products.

• Quality inspection

We implement a strict three-level inspection system for product quality to ensure that all inbound finished products comply with applicable quality regulations in the countries/regions where we operate and sell. The three-level inspection system refers to self-inspection by the garment factory (Level-1 inspection), ex-factory inspection (Level-2 inspection) and inbound inspection

by the product inspection department (Level-3 inspection). Each inspection will be accompanied by an inspection report to ensure 100% execution of the three-level inspection on each batch. Level-1 and Level-2 inspections are accepted according to Ex-factory Inspection Regulation, and Level-3 inspections are accepted according to the Regulation on Inspection of Internally Sold Products.



In 2023, we introduced scenario-based, model trial fitting, display matching and other comprehensive inspection methods for the inspection, to improve product quality through inspection methods. We arrange inspectors monthly for competence comparison to always maintain defect discovery rate of above 98%.

During the Year, we further optimized and renewed our product inspection system, classified general products into four categories based on scenarios, and has reduced the market disability rate standard of each scenario to below 0.08%, and the market disability rate standard of high-end products to below 0.035%. The satisfaction of high-end users reached 96%.

We arrange inspectors for competence comparison to always maintain defect discovery rate of

98% above

Reduced the market disability rate standard of each scenario to below

0.08%

Reduced the market disability rate standard of high-end products to below

0.035%

The satisfaction of high-end users reached

96%

• Product traceability

We continue to improve the full-process traceability mechanism for production suppliers, with a focus on the implementation of a single-piece accountability traceability mechanism for high-end product lines. In terms of standards, we launched the common-frequency and landing meetings with processing factory, signed a target responsibility letter with the factory and the person in charge of inspection during the production and inspection process of finished products, and implemented a high-end group production licensing mechanism (high-end products can only be produced by authorized assembly lines) to ensure the internal and external team standards and vision are consistent. In terms of resources, we also carried out quality adaptation and locking based on scene categories, upgraded the functions of high-end special groups, and supported directional ability enhancement of high-quality resources.

• Product recall

We have formulated sound policies and procedures relating to product recalls, to detect defective products as early as possible and avoid the flow of such defective products into the market as much as possible. For products with a high defect rate identified during the sales process, we require stores to send the defective samples of the same type of products to the supply chain management department for verification. Upon verification, the supply chain management department shall issue a recall notice and repair or dispose of the product recalled in a pollution-free way. During the Year, we did not have any product recalls due to health, quality and safety reasons.

5.1.3 Customer services

In the four implementation strategies improved by Bosideng, "channel operation, customer experience" has been the major theme of our work, and "Consumer-orientation" is our initial mission in continuing to optimize services. We establish diverse and comprehensive interaction channels centered on consumers, continue to optimize service standards based on their needs and provide them with excellent shopping experience through the effective integration of digital tools with our global consumer operation practices.

• New retail channel innovation

In 2023, Bosideng will continue to optimize channel quality and enhance channel efficiency, concentrating effective and high-quality resources on clearly defined target markets. In order to continue to build an integrated online and offline omni-channel landscape, we will make joint efforts in the offline channel construction and online new retail development. For offline stores, we continued to steadily improve the structure, layout, quality and terminal image of existing channels, while focusing on the continuous building of TOP stores, centered on store operations and focusing on improving the quality and efficiency of single-store operations. For online channels, we have realized the opening of online applets in both directly managed and franchised stores, focused on private communication with shoppers and piloted AI intelligent outbound call for on-site communication, and continued to use enterprise WeChat to establish a more convenient communication channel with customers, with the number of WeChat friends reaching more than 22 million, of which more than 14 million are friend members.

Bosideng continues to build a consumer-focused cross-channel operation platform, which is empowered by digitalization to form a closed loop of multi-channel reach, accurate insight and analysis, and differentiated content interaction. At the same time, Bosideng continues to encourage member loyalty and increase member satisfaction through the member point system, member level system and member right system, and also provides consumers with the best service through both online and offline channels by member innovative activities and member-created contribution contents.

During the Year, Bosideng brand attracted more than 11 million new fans and 4.4 million new members on the Tmall and JD platforms. As of March 31, 2024, Bosideng brand had 45 million fans and 18 million members in total on the Tmall and JD platforms. At the same time, over 1 million new fans have been attracted to the Douyin platform, totaling over 9 million fans.

During the Year

Bosideng brand attracted new fans more than

11 million

New members more than

4.4 million

on the Tmall and JD.com platforms

5. PRODUCT POSITIVE

• Efficient logistics

Our logistics park has launched a series of actions to enhance logistics efficiency. On the one hand, We rely on the self-developed ICC (Inventory Computation Center) and OPC System (Order Processing Center) to capture, match, locate, calculate and sort the distance between the geographic location of the product and the geographic location of the consumer in real time, generate job task instructions based on their proximity and match the nearest location of the goods for stocking automatically, and then automatically trigger the operation of the devices, so that the goods are quickly discharged from the warehouse with a seamless connection, and the courier company can be scheduled to receive and distribute the goods to the consumers as soon as possible. On the other hand, through the advanced logistics information technology system, a combination of highly automated logistics equipment, intelligent wave combination, enhancement and expansion of the factory and warehouse management system transportation module, we completely realized the automatic, intelligent routing allocation, to the extent possible to allow for less operating time in the warehouse and optimization of in-transit practice, and maximize the enhancement of user experience.

• Service optimization

Our brand management center fully gathers and listens to consumers' comments on Bosideng products and the shopping experience through regular telephone interviews and online surveys every year, and identifies and strives for improvements based on the causes of customer dissatisfaction. At the same time, through the interviews, we also focus on understanding the needs and pain points of consumers, and providing the relevant information to the corresponding departments for improvement. In the process of

customer service, we strive to enhance the shopping and service experiences of our customers by strengthening private area operations, personalized one-on-one communication through WeChat, and reducing contact with consumers by SMS and phone calls.

In the past year, we have further upgraded the self-service repair mini program. Bosideng encourages consumers to place self-service repair orders through the app, completing the repairs, inquiries, payments, FAQs and other operations independently. In 2023, the number of service orders received from the app for the whole year was more than 35,000, representing a year-on-year increase of approximately 124%. In addition, as users' demand for efficiency and quality of repairs has increased, the processing time of after-sales service for customer problems is now controlled within 8 hours, and the pass rate of user repairs actually reached 99.98% in FY2023/24. We will also further improve the consumer experience through measures such as improving satisfaction, efficiency, and the repair pass rate.

Bosideng has strived to improve its complaint handling mechanism and established a special customer complaint fund. We provided regular and targeted counseling and training for customer service staff to ensure they are able to handle any customer complaint in a most professional way and optimize service process of our stores continuously based on the "Warm Service Octuplet" course. In FY2023/24, we received and handled complaints about product and service issues through various channels, of which the call completion rate of 400-hotline increased by approximately 13.2% as compared to the last year and the service satisfaction rate reached approximately 97.8%. We have established a delegated complaint handling team to handle tricky complaints, and also established complaint handling specialists to allocate responsible persons in accordance with the type of complaint and follow up results

thereof within 16 hours. The customer service department will issue a monthly report on complaint analysis and will give feedback to relevant departments to make improvements. By doing so, the average time for resolving customers' complaints was lower than 16 hours during the Year, representing an improvement of 5.7% as compared to the same period of the last year.

By establishing the self-service hall on the Taobao platform, we facilitate customers to apply for and handle after-sales service by themselves, which achieved a 57.0% coverage rate, reduced by 65.0% waiting time for customers and increased by 32.8% one-off settlement rate of customers' after-sales issues. In addition, we introduced an automated service program and a logistics middle end, providing real-time monitoring abnormalities for the system, which enables interference, blocking and warning at an early stage, therefore, service time decreased by 89.0% and one-off settlement rate increased by 38.7%.

According to the health tracking report of the Bosideng brand conducted by Ipsos, the brand recognition rate and top-of-mind awareness rate of Bosideng are both in the leading position in the down apparel and Chinese apparel industry currently. Among them, the top-of-mind awareness rate reached 73%, the net promoter score (i.e. NPS) increased to 57, and brand reputation was as high as 9.22. These indicators of brand health have all improved as compared to those of the previous year, and the Bosideng's brand recognition has become more positive in the minds of consumers.

In FY2023/24, the pass rate of user repairs actually reached

99.98%

• Responsible marketing

The Group strictly abides by laws and regulations and the down apparel standards of the countries and regions where our businesses are operated, and faithfully lists the product information in the product logo and advertising information to eliminate any false information. We refuse to exaggerate or conceal our impact on society and environment, and also refuse to publish false information in terms of products and services of competitors to avoid misleading consumers. We protect consumer privacy and information security in accordance with the law, collect, process and use consumer personal information in strict accordance with relevant laws and regulations, strictly prohibit divulging consumer personal information, and prohibit sharing consumer information with third parties. During the Year, the Group was not aware of any major violations in terms of health and safety, advertising, labelling and privacy issues relating to its products and services.

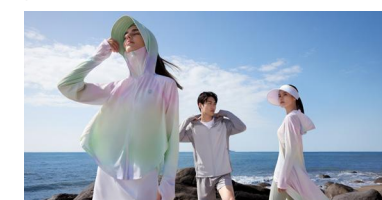
5.1.4 Zero carbon products

Bosideng incorporates its concepts of continuous low-carbon and recycled fashion into the whole value chains including raw material selection, manufacturing, logistics, and supplier selection, striving to integrate continuous high-quality development with the implementation of the "dual carbon" strategic target, positively exploring innovative paths and driving the industry to take action as a whole, so as to play its role as the leader of the industry.

In terms of R&D of products, we incorporate recycled design at the raw material stage and assign low-carbon attribute to our products, in order to propel syndicate innovation and emission reduction in the whole process. During this Year, we have fully integrated our environmental/ health standards and concepts into the research and development and

production processes of our core leading innovative products. For instance, through the cooperation with the GORE-TEX brand, we jointly introduce the down apparel with environmentally-friendly scientific fabrics made of GORE-TEX ePE membrane, which ensure lightness and thinness of products, and improved durability of fabrics. Such membrane, excluding perchlorinated compound, effectively reduces carbon footprint of our products through the combination of lighter material and new material. Down apparels with improved resilient fabrics also provide persistent waterproof and windproof function, breathability and protection, which effectively improve the lifetime of our products and minimize negative impacts on environment and society brought by products during their whole lifecycle.

We also complete an assessment regarding carbon footprint on protective apparels of "Sun Guard" Collection, which offers more transparent and green products for consumers by expressly publishing the carbon footprint of such products. The sun-protective apparel, "Sun Guard", was selected as one of the Top 10 Exquisite Products of the 2023 Top 10 Innovative Textile Products (2023 年度十大纺织创新产品十大精品) by the China National Textile and Apparel Council. Among the collections of Bosideng, our environmental-friendly and zero-pressure down apparel was awarded the Red Dot Design Award of German; new degradable fabric was awarded the ISPO – Global Design Award (Accelerated Eco); recyclable and lightweight down apparel under the Puff Collection facilitated recycled economy and green consumption. All of them reflected the recognition of the international market to our green products.



Sun Guard 3.0 Collection

Furthermore, we actively create zero carbon products by accurately measuring and certifying the carbon footprint of our products. According to the relevant rules of ISO14067 and PAS2050, Bosideng has defined the scope of assessment on the carbon footprint of our products, actively collecting carbon footprint data from various stages of the entire lifecycle of products from raw material sourcing to ex-factory (Gradle-to-Gate) to ensure the accuracy and reliability of the data. We collaborate with professional review agencies and arrange for professional personnel to conduct on-site evaluation to jointly promote product carbon footprint certification and the creation of zero carbon products. Bosideng's Light Warm Goose Down Jacket, Mountaineering Down Jacket, Ski Down Jacket and Urban Light Outdoor 1.0 Anti-sun Wear Apparel have passed the carbon footprint certification of China Quality Certification Center (CQC), and have completed the creation of zero carbon products by virtue of their low-carbon and environmentally friendly product attributes. In FY2023/24, products assessed for carbon footprint accounted for nearly 3% of Bosideng brand sales. Bosideng continuously explores emission reduction potential through systematic carbon footprint management and certification, laying a solid foundation for achieving zero carbon goals.



Product Carbon Footprint Certificates

5.2 CHEMICALS
MANAGEMENT

Bosideng strictly abide by the China National Standards GB18401-2010, National General Safety Technical Code for Textile Products, and GB31701, Technical Specification for Textile Products for Infants and Children, and other mandatory standards and more than 100 product standards, as well as applicable regulations on product safety in the countries/regions where we operate and sell. The Group has established the Chemical Substances (CMS) Management Manual (《化學物質(CMS)管理手冊》) which states CMS management approach, target, organizational structure and requirement of CMS management system, clarifies registration and use and management standard of chemicals and identifies chemicals currently used and usage thereof, and the Restricted Substances List Requirements for Chemicals of Bosideng (《波司登化學品限用物質清單要求》) (RSL), which expressly sets out restricted substances and limit requirements of chemicals. Such list will apply to products at all operations.

5.2.1 Our chemicals safety
management

The Restricted Substances List Requirements
for Chemicals of Bosideng

The RSL of Bosideng is based on industry standard and well-known non-government organization, comprising of chemicals that are actively restricted and prohibited beyond the scope of regulations, while meeting requirements of relevant regulations and the industry standard as follows:

- Substances that are prohibited as required by Exclusion of Substances and Mixtures Classified with Particular Hazard Codes or Risk Phrases of GRS2.2 (《GRS2.2《禁用特定危險代碼或風險術語分類的物質和混合物表》》);
- Substances that are prohibited as set out in the latest REACH Substance of Very High Concern – SVHC List (《REACH高關注物質- SVHC清單》);
- Substances that are prohibited as set out in the ZDHC Manufacturing Restricted Substances List (《ZDHC生產限用物質清單》).

Bosideng took the lead in drafting the Group Standard T/ CNGA 33-2021 "Technical Specification for Green-design Product Assessment-Down Apparel" and incorporated such standard into the standard operating procedure (SOP) of product design, regulating the use of chemicals at the early stage of product design to ensure that hazardous substances

are eliminated at the source. In addition, Bosideng conducted inspections on restricted substances at the stage of raw material and finished apparel. The Group has its own testing center, and updated raw material laboratory equipment in 2023, at a purchase cost of approximately RMB270,000. Upon such update, 42 programs can be undertaken for material physicochemical testing, including 17 down apparel testing programs. A self-owned laboratory conducts inspection on each batch of fabrics in terms of PH, formaldehyde and etc., and Bosideng entrusts a third-party authoritative testing agency on an irregular basis to test APEOs of down and decomposable aromatic amine dyes of fabrics and etc.

At the finished apparel stage, Bosideng entrusts a third-party authoritative testing agency to conduct inspections on restricted substances and all programs applicable to finished apparels, so as to ensure that products meet strict safety standards and regulatory requirements. In 2024, Bosideng conducted comprehensive chemical testing on the fabrics, linings, galls and filler of 22 products through cooperation with Intertek. The testing was conducted based on the Restricted Substances List Requirements for Chemicals of Bosideng, with testing items including but not limited to: pH value, formaldehyde content, heavy metals, banned dyes, chlorinated paraffins, APs and APEOs, etc. The testing results showed that all items were qualified. We attach great importance to the detection and management of hazardous substances to ensure that their content is below the prescribed limits. Advanced detection technology, such as liquid chromatogram-mass spectrometry instrument, has been used to ensure the accuracy and reliability of the testing results. In 2023, the proportion of entrusted third-party inspection was 10% and external inspection expenses were approximately RMB618,000 (excluding inspections of raw materials sent by suppliers). Meanwhile, we also require our suppliers to regularly test raw materials supplied to Bosideng and submit the test results to us to ensure that they meet Bosideng's standards over the long term.

Down apparel inspection standards

Bosideng continuously upgrades down apparel inspection standards by further diminishing harmful substances in down apparel while further reducing the content of substances in down apparel that have adverse impact on the environment. The details are as follows:

- Reduce oxygen consumption from ≤5.6mg/100g to ≤3.2mg/100g
- Ban glue fleece
- Reduce the APEO content from <1000mg/kg to <80mg/kg
- Add the requirement of pH 4.5-7.5 on down apparel, which is in line with the highest requirements of Class A (infant products) in accordance with GB18401, National General Safety Technical Code for Textile Products

5.2.2 Chemicals safety
management in
supply chain

Bosideng attaches great importance to chemicals management in supply chain. In selecting suppliers, Bosideng prioritizes suppliers who have obtained ROHS certification, including down suppliers who have obtained RDS certification and bluesign® and core accessory suppliers who obtained OEKO-TEX® certification, so as to ensure core material complying with regulations of restricted substances.

Meanwhile, Bosideng has formulated the Supplier Chemicals Control Manual, providing suppliers with effective management guidance in all aspects of using chemicals, ensuring raw material, work in process and finished products received in line with the Restricted Substances List Requirements for chemicals of Bosideng.

The Group has also developed standard operating procedures for chemical testing as part of material selection and approval. Bosideng conducted restricted substances testing for the fabric and accessories provided by first-tier suppliers, put forward rectification requirements for non-compliance suppliers immediately and tracked their rectification progress and results, with the aim of ensuring their products conform to requirements. For suppliers who cannot rectify and are underperforming, cooperation with them would be terminated.

Besides, Bosideng has joined the Zero Discharge of Hazardous Chemicals (ZDHC). Bosideng will eliminate the input of toxic and hazardous substances at its roots through the management of chemicals at the input end. Leveraging on ZDHC's website database and website of Detox.live, it will monitor suppliers' compliance with ZDHC's standards for sustainable chemical management, providing of Performance InCheck

reports, ClearStream reports, and zero-discharge certificates. Suppliers shall strictly comply with the requirements for the prohibition and limitation of chemical substances specified in the Restricted Substances List Requirements for Chemicals of Bosideng. If there are chemicals that suppliers cannot completely avoid or eliminate due to the current industry and its own technical limitations, they shall formulate a long-term phase-out plan and provide Bosideng with a reduction plan, including the name, chemical formula/English name, the target components, grade, reduction plan, reduction confirmation date, and reduction confirmation unit of the hazardous substance.

Bosideng can effectively identify specific chemical substances and affected products and product lines, by analyzing suppliers' sustainable chemical management reports and performance, and intends to achieve zero discharge of toxic and harmful chemicals throughout the supply chain by 2030. To ensure transparency and consistency, Bosideng has stipulated specific plans in terms of identification process, specific chemical substances identified, affected products or product lines and the timeline for the goal. It is expected that Bosideng will effectively improve product quality and ensure the safety of the environment and consumers by means of above measures.

5.2.3 Consumer
chemical safety
awareness

Bosideng popularizes chemical knowledge amongst consumers through multiple channels such as its official website, official WeChat account, e-commerce platform, and product tags, and displays relevant product certifications, so as to improve consumers' awareness of chemical safety in textiles. Bosideng indicates on the product label that the product complies with the China National Standards GB18401-2010, National General Safety Technical Code for Textile Products, specifying no decomposable carcinogenic aromatic amine dyes (including 24 aromatic amine dyes) are included. At the same time, the Group publishes the chemical management policy on its official website, detailing the application of chemicals in Bosideng's products and the List of Restricted Substances, and regularly popularizes chemical safety knowledge on its official WeChat account to explain the functions and potential hazards of specific chemicals to consumers, so as to enhance consumers' understanding to the chemical components of products. Besides, Bosideng publishes its chemical phase-out plan is committed to user safety and more environmentally friendly chemical substances to provide consumers with a better and safer experience.



6. PEOPLE POSITIVE

We endeavor to establish a workplace that is equitable, open, inclusive, encourages learning and growth and inspires passion. We fully respect employees' value and create an inclusive and harmonious workplace through initiatives such as providing competitive remuneration and diverse benefits, building on comprehensive training and development mechanisms and a safe working environment. We hope our employees feel appreciated and are willing to devote themselves to work.

1 NO POVERTY

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

6.1 OUR EMPLOYEES

We believe that employees are the cornerstone of growth. We hope to provide employees with competitive salaries and considerate benefits, create a comprehensive training and development system for different needs and development paths, and grow together with employees in a safe, equal, open and inclusive working environment.

6.1.1 Compliant labor use

We strictly abide by the laws and regulations of the countries and regions in which we operate in terms of labor use, and resolutely eliminate the occurrence of child labor and forced labor.

Bosideng's internal regulations clearly forbid the employment of child labor and forced labor. We start with multiple investigations and review processes such as recruitment, pre-onboarding, systematic job management and regular surveys to ensure that all permanent employees recruited must be at least 18 years old. During the recruitment, we clarify the basic quality requirements of each position, including age requirements, by determining the job responsibilities and working conditions of each position. In order to eliminate the risk of child labor in the selection of candidates, we strictly verify the identity of candidates and ensure that they are of the correct age and identity in accordance with local regulations. Before employees join the Company, we have created an online pre-entry system, established a pre-audit mechanism, and conducted a pre-job investigation of the hired personnel to ensure that there is no deviation in the identity information of employees, and those who do not meet the requirements will not go through the entry procedures. In

addition, we regard child labor as one of the key criteria for the selection and verification of suppliers, and regularly review the implementation of human resources operations, including third-party labor dispatch services, and whether there is child labor and forced labor, through the establishment of a systematic job management system. If child labor or forced labor is found, we will investigate the responsible management in charge of the human resources department and the senior officer in charge of the employing unit, and rectify the situation within a specified time. If the circumstances are serious, we will conduct a legal investigation into the matter.

To avoid forced labor, the Group has established an attendance system, including the employee manual, and strictly stipulates the commute time of employees and requirements for overtime. Employees may, at their will, choose to apply to work overtime or leave on time. The Group will not force any employee to work overtime. If overtime work is required, notification shall be made in advance, and overtime work may be implemented only after approval by the departmental manager and the human resources department. Meanwhile, employees who work overtime will be allocated time off to ensure they get enough time for rest, and achieve a work-life balance.

Furthermore, Bosideng actively promotes the democratic management of the Group to protect the rights to collective bargaining of employees by establishing a regional joint trade union, namely the Labor Union of Bosideng Down Garment Co., Ltd. (Labor Union of Bosideng Group). Every July, the Labor Union organizes and carries out a series of negotiations and revisions for collective contracts, including special collective contracts for wages, labor safety and health, and female employees. The terms of the collective bargaining agreement cover all contractual employees, so as to effectively maximize the benefits of employees. We consider the

right to freedom of association and collective bargaining to be one of the fundamental rights of our employees. Thus, we have explicitly included these principles in our employee manual to ensure that they are fully respected and guaranteed.

During the Year, the Group was not aware of any major violations related to recruitment and promotion, working hours, rest periods, child labor or forced labor.

6.1.2 Employment

Bosideng adheres to the talent introduction strategy of "selecting the right person for the proper position" with a focus on improving the quality of new and existing employees. Bosideng attracts and retains outstanding talents while respecting the rights and interests of employees and their development demands. Our recruitment adheres to the principle of "merit-based recruitment with priority given to morality" and takes the applicant's ability and suitability for the post as the main consideration factor, and will not be affected by factors such as race, gender, age and marital status. We respect employees' freedom of association and the right to collective bargaining. We respect employees' right to terminate their labor contracts at their free will, and have established procedures for terminating labor relations in accordance with applicable laws and regulations. We contract with each employee and try our best to provide a reasonable and fair working environment for employees. As for the situation of the Group voluntarily terminating the labor contracts with its employees, the Group will also proceed in accordance with applicable laws and regulations and the normative procedures.

Creating a diverse and inclusive working environment and treating all employees fairly are important goals and commitments of Bosideng. We insist on safeguarding all employees free from unequal treatment based on gender, marital status, family status, age, disability, sexual orientation, race,

6. PEOPLE POSITIVE

religion, etc. We strictly comply with human resource policies relating to recruitment and hiring, remuneration and benefits, promotion system and attendance management, as detailed in the human resources management system, in order to safeguard the rights and interests of our staff. Meanwhile, the Company has formulated the Regulations on Administration of Employees' Code of Conduct, which clarifies the code of conduct for employees in respects of anti-discrimination and anti-harassment, and stipulates the standards for employee disciplinary violations and punishments. It also determines the disciplinary procedures, including investigation, interview, submission of disciplinary review, and issuance of notice, for employee disciplinary violations, such as sexual harassment, insult, and violence, and finally divides them into three punishment levels, namely warning, demerit and dismissal, according to the severity, so as to standardize the management and implementation of employee's code of conduct, and implement anti-discrimination and anti-harassment policies. The Regulations on Administration of Employees' Code of Conduct stipulates that intimidation, violence, threats, insults to internal employees and insults to external partners (such as suppliers) will be subject to dismissal. The Regulations on Administration of Employees' Code of Conduct also clarifies the disciplinary procedures for employee disciplinary violations, and determines handling procedures for employee disciplinary violations, including investigation and collection of evidence for disciplinary violations, interviews, submission of disciplinary review letters, soliciting opinions from the trade union and issuing notices. In the course of handling procedures, employees are allowed to express their opinions on disciplinary violations and appeal to department recommendations through the human resources department. Violations of discipline shall be punished in accordance with the rules and regulations on the premise of conclusive evidence and clear facts.



Full-time employees

11,831

persons



Management (including senior management and general management)

50%+

female



Bosideng won the 2023 Peter F. Drucker China Management Award, the Best Employer of the Year, and the Favorite Employer of Chinese College Students

The Company has established a systematic position system that classifies positions into design, procurement, finance, quality, retail and administration based on work attributes. As of March 31, 2024, the Group had a total of 11,831 full-time employees. We are proud to see women's important role in the management and business operations of Bosideng. Female employees accounted for approximately 80.7% of the total workforce, and the percentage of female management (including senior management and general management) was 50.8%, up by approximately 1.8 percentage points as compared to the corresponding period of last year.

During the Year, the Group was not aware of any major violations related to fair opportunities, diversification and anti-discrimination. In addition, in 2023, Bosideng won the 2023 Peter F. Drucker China Management Award, the Best Employer of the Year, and the Favorite Employer of Chinese College Students.



6.1.3 Remuneration and welfare

We scientifically evaluate the performance of employees, reward employees with a competitive salary system, and motivate employees to continuously optimize and improve, so as to ensure that employees work decently and live comfortably.

We have established a position-based remuneration system, covering basic fixed salary, performance bonuses and allowances.

We review and appropriately adjust the basic fixed salary of employees every year to ensure that the salary level is in line with the changes of the economic market and industry, and is competitive.

The Company has established a sound performance appraisal and incentive system, set incentive standards for different fields based on the realization of value contribution goals. The Company also designed and matched competitive salaries for market retail, clothing design and development, and core technology positions. By setting up special incentives and extracting excellent benchmarking cases, the Company motivated its employees in related fields to achieve high-value results and continuous innovation through the dissemination, transformation and application of rewards and benchmark cases.

We have set up performance bonuses including process bonuses, annual bonuses and long-term incentives covering partial employees. To evaluate employee performance in a fair and equal manner, we established an appraisal mechanism based on target management and result. We have clarified the clear responsibility boundaries according to job functions. From the perspective of user value creation, we have comprehensively considered multiple dimensions such as talent structure upgrading and enterprise management process standardization, thereby formulating and carrying out KPI assessment. We carry out monthly/quarterly/semi-

annual performance appraisals at different frequencies for different positions, and conduct performance communication at the same frequency. For employees who lag behind in performance results, we put forward performance improvement requirements, agree on improvement goals, and track their improvement results. The performance results will be publicized and feedback will be provided according to the annual and semi-annual assessment results. The Group provides promotion, salary increase and/or annual bonuses and other incentives to employees based on the actual appraisal results. In terms of the design and R&D position, the Company has set up a performance remuneration system with development performance incentives and special process incentives, and has established market-competitive salary criteria, so as to match and recruit high-quality talents in product planning, design and R&D.

Furthermore, we promoted the implementation of an employee equity incentive scheme, which covers the Group's directors, core management personnel in operations and core employees, and determines qualification for incentives based on group performance and individual performance, to recognize employees for their contribution to the growth of the Group, as well as motivating and retaining outstanding talents. As of March 31, 2024, Bosideng granted seven tranches of equity incentives to its employees in total, including a total of 589.88 million share options and award shares in November 2023,

comprising 511.48 million share options and 78.40 million award shares, covering a total of 170 core employees.

Our compensation system covers 100% of our employees.

Bosideng strictly abides by the requirements of the country/region where it operates, and guarantees regular and generous benefits and allowances, providing employees with sufficient warmth and protection. The Group also provides 100% of all formal employees in mainland China with "five social insurances and one housing fund" as well as annual leave, marriage leave, maternity leave, medical leave for work-related injuries, bereavement leave and other statutory leaves. We plan and inform our employees of the annual holiday programme in advance and extend the Spring Festival holidays as applicable to ensure that our employees in different locations have sufficient time to spend with their families over the festive period. For employees reaching the statutory retirement age, the Group handles retirement procedures for them on time and assist them in enjoying their pensions based on the approval of the local human resources and social security department. For employees in Hong Kong SAR, the Group also participates in the MPF Scheme. Each member of the Group (the employer) and its employees make monthly contributions to the scheme generally at 5% of the employees' earnings pursuant to the relevant laws. The monthly contributions of each of the employer and the employees are

subject to a maximum contribution of HKD1,500 per month (for periods from June 1, 2014) and thereafter contributions are voluntary. Also, for its employees in the United Kingdom, the Group participates in the National Insurance Scheme and the relevant pension scheme, respectively (collectively, the "UK Schemes"), which require each member of the Group in the United Kingdom (the employer) and its employees to make monthly contributions to the UK Schemes based on the statutory percentage of the average employee's salary provided by the United Kingdom Government.

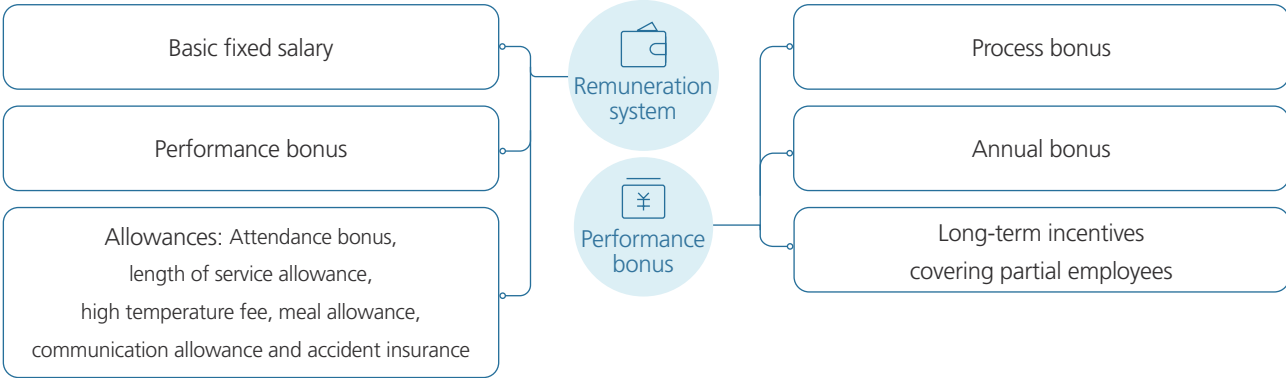
We also provide, depending on the position or circumstances of individual employees, additional welfare allowances, such as attendance bonuses, length of service allowances, high temperature fees, meal allowances, communication allowances and accident insurance, etc. In line with the trend of the times, we have created modern office conditions for our employees and provided home office possibilities for our employees on the basis of ensuring their occupational safety, depending on the circumstances.

During the Year, the Group was not aware of any major violations related to the benefits and welfare of its employees.

As of March 31, 2024, Bosideng granted

7

tranches of equity incentives to its employees in total



6. PEOPLE POSITIVE

6.1.4 Training and development

We genuinely hope that our employees can grow and advance alongside Bosideng. By continuously creating and enhancing our training programs and development plans, we offer all employees channels and opportunities for ongoing learning and development. We are dedicated to cultivating talents who can adapt to market and industry changes, thereby renewing our core competitiveness. The Company has established the "Talent Development Management System" to regulate the Group's talent development processes and system. By promoting core values, setting systematic requirements, providing training and performance management, and outlining clear promotion and advancement pathways, we motivate all employees to learn and grow. During the Year, 100% of regular employees of the Group received training. Total training hours completed by employees were 178,000 hours and the average training hours undertaken per employee were approximately 15 hours. The average training hours for senior management were approximately 16 hours per person, the average training hours for general management were approximately 14 hours per person, and the average training hours for non-management employees were approximately 15 hours per person.

With "integration, accommodation, inheritance and innovation" as our core values, we continuously promote the growth and development of employees. In this regard, we have also established a variety of training and development channels, adopting a combination of online and offline trainings, including offline classrooms, retail classrooms, Ding Talk online learning platform and WeChat, etc., creating convenient conditions for employees to expand their expertise. By offering a diverse range of course content tailored to each channel, we enhance the convenience and accessibility of our training programs. We also offer tailored and systematic training programs for various types of talents, aligning with our strategic development plan, which takes into account the diverse knowledge and skills required for our employees' careers. We have partnered with Changshu Institute of Technology to provide degree programmes for employees in need. Moreover, we prioritize the professional skill enhancement of our core technical staff in garment engineering. Through partnerships with professional vocational and technical training schools and qualification accreditation by government departments, we have implemented the "New Apprenticeship" program. This initiative focuses on training and certifying sewing and pattern-making skills. As a result, 101 technicians in the technical department of the Company have

been trained and certified as senior technicians.

In addition to providing all employees with general training in safety, comprehensive skills, and corporate culture, we also provided business training for front-line employees and leadership training for management and reserved employees. Bosideng Business School, as the primary platform for employee training, invested approximately RMB 10.399 million in various training and development projects throughout the Year. These included leadership development projects for core operation management teams, director back-up talents and manager reserved talents, strategic reserve talent development projects, on-the-job cadre and professional talent empowerment training, new employee training plans, and so on.

Furthermore, we have identified and nurtured core talents who exhibit "high willingness, high performance and high potential" for key positions critical to the Group's future development. We have crafted career development paths that encompass both management and professional tracks, ensuring that the outcomes of talent evaluations are directly tied to promotion and development qualifications. Employees with diverse characteristics and preferences will be given growth and promotion opportunities, with clear career development pathways outlined for their advancement.



Managerial cadre cultivation

In terms of management development and promotion pathways, we focus on "on-the-job cadre cultivation" and "reserve cadre cultivation". We have refined the professionalism of on-the-job cadres through a number of methods, including the formulation of personal development plans, online courses, symbiotic learning and other methods. Additionally, we have comprehensively evaluated and validated the value achievements and training results of their annual efforts through talent inventory. Among others, we are particularly concerned about the leadership upgrading of the middle and senior management, for which we have created a specialized head management team development project (TMT project) to link up the whole chain of "selection, training, utilization and retention" and provide them with the opportunities and channels for advanced development from M1 level to M8 level. During the Year, most of the key positions in each department achieved the annual high-challenge target, and the competency rate of TMT core strategic positions at all levels being 100%.

As for the reserve cadres, we pay attention to their leadership training and make reserve for the core requirements of Bosideng's future strategic development, with the goal of creating an endogenous reserve management echelon to help realize strategic goals. The "Eagle System" project has been established to cultivate various echelons of reserve cadres. Within this framework, the "Falcon" program is designed to develop manager-level reserve cadres (M1 and M2), the "Elite" program focuses on developing general managers/business chiefs for retail companies (M3), and the "Eagle" program aims to nurture Group headquarters reserve director-level talents (M4 and above). In FY2023/24, we successfully developed 70 "Falcon" talents, 13 "Elite" talents, and 12 "Eagle" talents. Additionally, we have refined the standards, processes, and mechanisms of talent training.

Professional talent cultivation

Regarding professional experts, we are dedicated to developing strategic key position sequences for leading benchmark experts and gradually enhancing the expert talent structure. Professional accreditation is adopted as an important mechanism for talent

development. Evaluation is conducted based on cultural values, professional capabilities and performance. We have set up a professional route talent development committee to assess the professional abilities of our professional talent, including skills certification and knowledge assessment. Skill certification mainly confirms whether the standards are met by referring to the skill standards; and the knowledge assessment mainly tests the mastery of knowledge covered in the training courses. The professional route has been broadly categorised by rank and established position expectations and requirements. These are as follows: Technician (P1, P2, and P3), Specialist (P4), Senior Specialist (P5), Lead Specialist (P6) and Chief Specialist (P7).

During the Year	Total training hours completed by employees were	The average training hours undertaken per employee were approximately
100%	178,000	15
of regular employees of the Group received trainings	hours	hours
The average training hours for senior management were approximately	The average training hours for general management were approximately	The average training hours for non-management employees were approximately
16	14	15
hours per person	hours per person	hours per person

6. PEOPLE POSITIVE

• Training of reserve students

The Group continues to optimize its talent structure and hopes that the development and training of reserve students can help the Company select and cultivate a group of young people who fit Bosideng's corporate culture, and have business knowledge, experience and potential for the Company, proactively preparing for the Company's future strategic development. We have steadily promoted the cultural integration, front-line training, and post practice for reserve students in each responsible department, setting learning requirements and work objectives for them, and organizing staged evaluation. Multi-party evaluations will be combined to form a comprehensive assessment.

During the Year, the Group has struggled to forge an upgraded talent

structure, including the introduction of excellent strategic talents, the development of a talent pool for core position echelons and the empowerment and replacement of on-the-job cadres, thus building an internal talent development system. During the Year, the retention rate of outstanding employees was up to 96%; among newly recruited talents, the ratio of employees with a bachelor degree and above was 81%, and the average age is 30.5. As of March 31, 2024, the ratio of employees in the post-90s generation of the Group was 50%, roughly the same as the same period last year.

In addition to internal trainings, the Group also encourages employees to participate in overseas trainings to continuously explore and improve themselves in many aspects including professional knowledge, technical skills and management systems, so that they could further contribute

to the development of the Group. Relevant training expenses can be reimbursed upon approval. In addition, starting from 2024, the Group will gradually consider talent cultivation in terms of employee academic qualification improvement, and has begun to provide core talents with corresponding academic qualification information consultation, policy support and learning resources.

At the same time, the Company attaches great importance to the cultural construction of talent cultivation. Conferences on talent cultivation were held in April and October 2023, at which the core of the Company's culture was released, an employee development blueprint was formulated, and talent cultivation works were summarized, with the aim of continuously discovering deficiencies, setting up excellent examples, and optimizing the system and measures for talent cultivation.

6.1.5 Health and safety

The Sustainable Development Steering Group and its related departments have actively established an occupational health and safety policy (including measures to protect employees from occupational hazards), and an internal occupational health and safety inspection team. Each department regularly implements the system control standards and accepts regular audits by professional institutions, to ensure the effective implementation of the Group's health and safety efforts. We have obtained OHSAS18001 occupational health and safety management system certification and ISO45001 occupational health and safety management system standards certification with continuous and effective operation, which covers the design and development of down products and related management activities of the Group.

The Company pays close attention to the continuous improvement of EHS management and regularly reviews the implementation of the Group's EHS policies and goals and operation of the EHS management system, ensuring sufficient and effective compliance with the requirements of ISO 45001. In 2023, the Group organized the compilation of a number of procedural documents to refine the work content, including the Corporate Environment and Stakeholder Requirements Control Procedure, the Corporate Environment (Internal and External Issues) Survey and Evaluation Form, Risk and Opportunity Control Measures Record Sheet, and the Record Sheet of Stakeholder Needs and Expectations Evaluation with Measures Implemented. Combining the use of PEST (political, economic, sociological and technological) analysis and research and review of internal control aspects such as corporate

governance, product realization, support and guarantee, and environmental governance, important sources of danger that relate to the Company's purpose and affect the expected results of the Company's environmental management are identified. Accordingly, the Group has formulated and implemented more than 180 measures to address risks and opportunities and enhance the pertinence and effectiveness of the Company's environmental, health and safety (EHS) management and control. In addition, the Group also investigated, identified and registered occupational health and safety hazards for these sources of danger, and identified and registered a total of 216 hazards. Based on their criticality, a list of 45 key hazards was compiled for each department to strengthen the management and control of employees' occupational health and safety over the major hazards involved as required.



Bosideng's 2023 Eyas Training for Graduates



6. PEOPLE POSITIVE

Due to the nature of our business, the working environment of the Group's employees mainly consists of indoor offices and sales outlets, and thus there is no significant occupational health and safety risk. However, in order to better prevent health and safety risks, we have identified key action directions including safety production standardization, occupational disease examinations and medical communities, comprehensive training systems and emergency drills, and combined them with quantitative goals to improve related performance.

We have also set a goal of 100% monitoring of occupational diseases, and arranged occupational disease checkups for employees based on pre-employment, on the job, job transfer and resignation. We organize medical community events for health consultation with the city's Grade 3A hospitals once a year to provide employees with a professional and convenient medical consultation platform to continuously monitor and protect their health and safety.

In 2023, the Group continued to track and study occupational health and safety laws and regulations, and revised the 2023 List of Occupational Health and Safety Laws and Regulations (177 articles) and other legal standards for all departments to study and implement. In 2023, we organized emergency drills for all employees to strengthen their emergency preparedness and response capabilities. At the same time, to ensure that every employee has mastered the relevant knowledge and skills, we also provided four related trainings, including two fire safety trainings, one EHS training,

and one vocational skills training, with a total of 6,782 participants. We effectively enhance employees' occupational health and safety awareness and operational capabilities through diversified training content and vocational skills practical training and assessment for all employees.

In addition, Bosideng began to build a training plan system in 2023, covering comprehensive training of no less than five times/year and standard training of no less than one time. Targeted training on process, lean production management, operational skills, management and other aspects is provided to different targets, in order to improve product production capacity and quality while ensuring the health and safety of employees and minimizing environmental impact.



6.1.6 Communication and care

A multi-channel communication platform and various ways have been established to construct a normalized communication mechanism with employees, and listen to their voices. The Group has established online channels including the president's mailbox, DingTalk system, and email, and has actively organized offline seminars, regular meetings, special meetings, democratic life meetings, etc. to enhance communication and interaction between employees and executives of the Company, and actively listen to the suggestions and feedback from employees. In addition, the Company conducts employee satisfaction surveys every year to identify issues for continuous improvement. In FY2023/24, our

employee satisfaction rate reached over 90%.

We pay attention to the daily lives of our employees, and provide convenience and care for their lives through a series of activities and measures to improve their happiness. In 2023, we held dozens of employee well-being activities, including but not limited to organizing birthday celebrations, special catering, family accommodation, family activity days, and intercity shuttles for employees. In September 2023, Bosideng organized a series of activities to celebrate the Mid-Autumn Festival and National Day with the theme of "Family Reunion", presenting a rich cultural feast for all employees and their families.

In addition, the Company has built an employee gym and organized various sports clubs including a basketball club, running club, and badminton

club to improve employee health and communication. In 2023, we held the Global Leading Cup Basketball Tournament to fully stimulate team cohesion and combat effectiveness. The exciting sports competition vividly demonstrated Bosideng's cultural connotation of always striving for first place, and also allowed employees to fight for their own excitement in sports.

The Company also considers the customization demand of different groups. For instance, we provide corresponding services taking into account female employees' needs in life and career development. The mother-and-baby rooms are built to create a convenient and reassuring space for feeding and nursing, thereby meeting the female employees' needs for breast feeding during work. The Company ensures that our internal



Employee Birthday Party

6. PEOPLE POSITIVE

female employees are entitled to maternity leave and paid childcare leave in accordance with the law, so as to fully protect their legal rights to childcare. In 2023, to attend to the psychological stress of female employees, the Company offered a psychological course named "Living a happy life with growing emotional

intelligence—the code of happiness for glamorous women (《當情商成長 遇見幸福人生——魅力女性的幸福密碼》)" on Women's Day (March 8), helping employees to better cope with and relieve their stress and to live and work in a calmer and more relaxed way.

In addition, the Company has established a charity fund to pay special visits and give special support to the families that have difficulties, conveying warmth to employees while reducing their worries.



Mid-Autumn Festival Chinese Style Parent-Child Day at the Park



Global Leading Cup Basketball Tournament

6.2 OUR SUPPLY CHAIN

A stable and resilient supply chain is highly important to Bosideng's business. We are obligated to protect and improve the human rights of the employees of suppliers and achieve the meaningful incorporation of the people-oriented concept into our operations through accountability, cooperation and continuous improvement.

6.2.1 Labor principles and management of the supply chain

We promote decent work actions along the supply chain, which are guided by our sound policy and procedures. We follow the United Nations Guiding Principles (UNGPs) and have regulated our expectations on acts of our production suppliers in the "Supplier Cooperation Manual" and the "Supplier Evaluation Standards".

During the Year, we made significant progress in the labor management of the supply chain with an improvement in overall management level. We formulated and issued the Model for Appraisal of Five Leading Capabilities in Resources (《資源五項能力領先評審範本》) to upgrade the appraisal standards for environmental safety and health management, permission of laws and regulations and system certification in an all-round way. Besides, we optimized the requirements and standards for suppliers' social responsibility and environmental evaluation by covering forced labor, child labor, working hours, employees' freedom of association, anti-discrimination, salary, working environment, labor relations, environmental management, safety and health management, system certification and other key items, while emphasizing labor management



Child and forced labor

Any form of illegal labor should not be tolerated. It is vital to eliminate child labor, forced labor, labor trafficking or other involuntary labor in the supply chain.



Working hours

Enjoying life at work is very important, and suppliers should ensure that working hours of employees are in compliance with national laws and industry standards.



Remuneration and over-time work salary

Everyone should be paid fairly and suppliers should ensure that employees are paid in accordance with national laws and that all overtime work is done on a voluntary basis and compensated in accordance with applicable laws.



Health and safety

Everyone is entitled to work in a healthy and safe environment. Suppliers shall endeavor to provide healthy and safe work conditions for their employees and comply with applicable health and safety practices.



Freedom of association

Suppliers should respect employees' freedom of association and right to collective bargaining, and comply with the relevant standards of the International Labor Organization (ILO).

requirements as a prerequisite for cooperation. These new standards aim to ensure that our supply chain can meet the highest standard of social responsibility and environmental protection and continuously exert positive effects on stakeholders.

Meanwhile, we provided targeted incentives for various outstanding suppliers during the Year to further encourage them to enhance management capability and social responsibility awareness.

6. PEOPLE POSITIVE

6.2.2 Supplier governance

Suppliers serve as a key link in guaranteeing the stable and efficient operation of the Company. Bosideng constantly improves the governance policy to ensure the compliance and sustainability of the supply chain. We have provided training on anti-corruption, business ethics, and environmental and labor management to all our suppliers and signed the Compliance and Integrity Agreements (Undertakings) with all our suppliers, which cover explicitly major contents such as compliance, integrity and honesty, and require the parties to maintain integrity in transactions and not to be involved in any corruption or other corrupt practices that may affect fair competition. Moreover, through convening supplier conferences and other activities, we have published the red line requirement of work style to ensure that all conducts of suppliers are honest and clean, and to prevent bribery and other misconduct. For non-compliant suppliers, we have formulated and issued the detailed improvement requirements and standards, while closely tracking their rectification progress and

results to ensure that the suppliers meet the predetermined compliance standards. If the supplier fails to make rectifications or makes poor rectifications, we will resolutely terminate the cooperation in order to maintain a generally healthy and standardized supply chain. During the Year, the content of performance evaluation and onsite evaluation of suppliers was further optimized and upgraded to strengthen the identification and management of supply chain risks from multiple dimensions such as labor management, benefit and remuneration policies, environmental health management, permission of laws and regulations and system certification. Within our organization, we also promoted joint understanding and innovation of supplier management requirements in the procurement and quality management department, and strengthened the role of internal organization in empowering and enhancing the robust management of the supply chain as well as providing guidance and supervision to suppliers. In response to suppliers' non-compliance with laws and regulations in labor use, environmental protection, fire safety, etc., and

potential risks that may affect the operation of the supply chain and product delivery, we have adopted a range of measures to ensure the stability and compliant operation of the supply chain. Through convening supplier conferences, carrying out capability extension training, competency comparison, laboratory identifying and testing skills competitions and other activities, and advocating cooperation policies and specific requirements, we strive to promote the healthy development of suppliers. During the Year, there were 8 supplier trainings in total, covering 144 suppliers. In addition, we continued to carry out the questionnaire survey with the Environmental and Energy Health Management System Requirements Survey (《環境能源安康管理體系需求調查表》) among suppliers to further understand their capability building needs in terms of environmental and social performance, and recommended professional institutions to provide guidance based on their actual needs. Through meetings, training and other means, we continuously empower our supplier partners to help them to take the lead in scale development, quick response, quality assurance, innovation capability and intelligent manufacturing, thus promoting the overall development and progress of suppliers.

6.2.3 Suppliers' labor performance evaluation

Bosideng has established standardized supplier access and management procedures, covering various aspects from target sourcing to performance evaluation, so as to ensure the stability and efficiency of the supply chain. On this basis, Bosideng has developed and implemented 10 management systems including resource management, evaluation methods, key performance evaluation, settlement management, and cooperation manual, which stipulate the specific requirements and management measures on suppliers' labor performance.

During supplier admittance, the Company has developed the "Supplier Cooperation Manual", the "Supplier Evaluation Standards", the "Supplier Review Report" and other policies, requirements and standards (for details, please see the Company's sustainability official website (<http://sustainability.bosideng.com>) at Documents and Resources page – Supply Chain Management Policy), which specify requirements in the aspects of child labor, health and safety assurance, special job protection, working hours, salary, environmental, safety and health laws and regulations, environmental, safety and health employee training, product safety, as well as health and safety management requirements, and incorporate them into the supplier review system to ensure that suppliers have complied with these standards before admission. For use of child labor, punishment of occupational health and safety accidents, potential health and safety hazards of products to the Company's employees, and failure to implement Bosideng's occupational health and safety policies, the Company has set up a one-vote veto system to strictly prohibit any violations; those suppliers who are not qualified in terms of special job protection, working hours, and salary must rectify the situation

in order to be qualified for admission; those suppliers who regularly provide occupational health and safety training to their employees and have an occupational health and safety management system will receive additional points.

During the Year, we continued to improve the "Supplier Cooperation Manual". In addition to incorporating the legal compliance of anti-discrimination and overtime payment into the review, we enhanced the environmental protection requirements in the new version of the manual, requiring suppliers to prioritise the use of production processes that comply with environmental protection standards and energy-saving requirements, including technologies that have low energy consumption, low pollution, are non-hazardous and have a high utilization rate of resources. These measures have not only enhanced the management level of suppliers, but also prompted them to pay more attention to environmental protection and sustainable development in their production processes. For further details on our selection of suppliers, please refer to the section headed "4.7 Environmental Requirements for Suppliers" in this Report.

At the supplier management stage, the Company has formulated the "Key Performance Assessment Standards for Suppliers" and the "Measures for the Management of Supplier's Key Performance Assessment" to continuously improve the supplier review, supervision and performance assessment mechanism. In the supplier assessment process, we classified suppliers according to their performance and on-site assessment criteria. During the Year, by upgrading and optimising the assessment criteria, we classified suppliers into five categories, namely S/T/A/B, and focused our attention on high-risk suppliers. The Company prefers suppliers in the S/T/A category, as well as to cooperate with basic suppliers in the B category on a small scale according to product requirements. In the supervision process, we have

formulated detailed standards for supplier supervision and have adopted a combination of unscheduled and regular supervision methods. We assess and review our suppliers from a wide range of perspectives, including the cooperation process, annual performance and on-site reviews, to ensure that they continue to improve in areas such as labor management, health and safety and environmental sustainability. We have conducted irregular inspections on 36 items of labor management requirements, including suppliers' 6s, safety, process control, confidentiality, etc., and conducted inspections on 46 suppliers during the Year, in order to supervise and improve their labor management standards, and to expressly prioritize and consider cooperation with suppliers with excellent labor management.

During the Year, we reviewed 344 suppliers, including process assessment, performance review and on-site review, achieving an overall coverage of 100% of suppliers; a total of 27 suppliers failed to pass the assessment, representing a passing rate of 92%. The suppliers of the Group are mainly selected by eliminating bottom performers. When the supplier fails to meet the access requirements for cooperation (e.g., vehicle intercom supply or environmental indicators, etc.), or the supplier fails to undertake the Group's strategic objectives, the supplier will not pass the assessment. At the same time, we have eliminated suppliers who failed the assessment in accordance with the Supplier Management Policy. Currently, we have terminated our cooperation with such 27 non-compliant suppliers.



As of March 31, 2024

Supplier review coverage

100%

Supplier review passing rate

92%

6. PEOPLE POSITIVE

6.2.4 Safety management of outsourced manufacturers

During the Year, we also continued to assist outsourced manufacturers in improving their safety production management systems, standardizing

their employee health and safety management and enhancing the working environment and accommodation conditions of their employees. During the Year, the largest outsourced manufacturer located in Changshu City, Jiangsu Province has invested approximately RMB29.72 million (FY2022/23:

approximately RMB36.17 million) in occupational health and safety, with 100% of workers' protective equipment intact rate, 100% of workers protective equipment equipped per capita (based on the positions required) and 100% of workplace environmental compliance rate.

Statistics on Investment in Occupational Health and Safety Made by the Outsourced Manufacturer in Changshu during the Year	Unit: RMB'000
Environmental Safety Improvement Program of the Workplace	21,295.0
Purchase, Repairs and Maintenance of Safety Equipment	2,291.0
Medical Fees	20.0
Occupational Development Training	5,437.8
System Certifications Investment	660.0
Others	16.0
Total	29,719.8



6.3 OUR COMMUNITY

The fundamentals of an enterprise's existence lies in its ability to create value for the society and users, and to achieve "mission-driven". Over the years, Bosideng has focused on national strategies, given full play to its brand advantages and industrial characteristics, and always been committed to the good by devoting itself to the social welfare undertakings.

The Company has provided practical assistance to various communities by providing material support, conducting public welfare projects and participating in voluntary activities. Part of the activities are conducted by Bosideng Charity Foundation (the "Charity Foundation"). The Charity Foundation been actively engaged in poverty alleviation, helping orphans and the disabled, disaster relief and other charitable works, with a focus on building the boutique public welfare projects such as "Warmth in China", "Orange Love Fund", "Xin'ai Fund" and so on. The Charity Foundation has successively participated in "Ten Thousand Enterprises Help Ten Thousand Villages" and "Ten Thousand Enterprises Support Ten Thousand Villages" activities, delivering great love and warmth to everywhere in the country, which has achieved good social effects. Over

Over the years, the Charity Foundation has donated to the society more than RMB

1.4 billion

Won the "China Charity Award"

4 times

the years, the Charity Foundation has donated more than RMB1.4 billion to the society, with its public welfare footprints spreading over 30 provinces (autonomous regions and municipalities directly under the central government), 112 local-level cities and 600 counties, benefiting 1.589 million underprivileged people, and has also won the "China Charity Award" four times, thus becoming a top-notch enterprise in China in returning to the society and fulfilling its social responsibility.

6.3.1 Warm actions to warm China

Since 2015, the Charity Foundation has been launching the "Warmth in China" public welfare project, donating winter-proof clothes to disadvantaged people in key poverty-stricken areas in China every year. During the Year, Bosideng has progressively promoted the "Warmth in China" public welfare project in various places to provide warmth and protection for disadvantaged groups.

- Joined hands with the China Charity Foundation to launch the "Charity Love Warms Ten Thousand Families" project, donating 20,000 pieces of winter-proof clothing to impoverished

people in Xinjiang, Qinghai, Sichuan, and Fangshan in Beijing, which helped revitalise villages and conveyed Bosideng's love and warmth to the impoverished areas.

- Together with the China Foundation for the Guangcai Programme to donate 1,001 pieces of high-quality winter-proof clothing to disadvantaged people in Zhijin County, Guizhou Province, contributing to the revitalization of villages and delivering deep care to disadvantaged groups.
- Together with the Lize Charity Foundation of Beijing to donate 384 pieces of winter-proof clothing to the students of Wangjia Township Boarding Center Primary School in Zeku County, Huangnan City, Qinghai Province, bringing care and blessings to the orphans in Guoluo City and the impoverished students in Qinghai Province.
- Together with Chen Xiangmei Foundation to launch the "Happy House Public Welfare Donation Activity", contributed 450 pieces of winter-proof clothing to young people in Huining County, sending hope and warmth to the young ones.



6. PEOPLE POSITIVE

6.3.2 Earthquake relief with love for disaster victims

On 18 December 2023, a 6.2 magnitude earthquake occurred in Jishishan County, Linxia City, Gansu Province, causing great damage and affecting the hearts of people all over the country. During the severe winter climate, the local temperature was extremely low, and the people affected by the disaster and the rescuers were in urgent need of warmth protection materials. Bosideng Charity Foundation quickly initiated an emergency response mechanism and rushed to help the earthquake-stricken area, donating 17,000 pieces of high-quality winter-proof clothing to the disaster-stricken people and rescue workers, which sent warmth to the frontline for fighting against the disaster.

Bosideng Charity Foundation has donated high-quality winter-proof clothing of

17,000 pieces

6.3.3 "Xin'ai Fund (莘爱基金)" to warm students

To help students from poor backgrounds across the country to achieve their dreams of going to university, the Charity Foundation established the "Xin'ai Fund (莘爱基金)", a charity project for supporting impoverished students to fund their tuition fees and living expenses and supporting the completion of their studies. In 2023, the "Xin'ai Fund (莘爱基金)" charity project has been successively carried out in Jiangnan University and Changshu Institute of Technology by continuously making a directional donation of RMB200,000 to impoverished students from two such schools, which sent the warmest wishes in winter to students in need and continued to convey the warmth of Bosideng in the form of grants.



6.3.4 Creating a consumer community of "sustainable fashion"

In addition to actively carrying out public welfare, Bosideng endeavored to create a sustainable fashionable consumer community through a series of innovative and environmentally friendly measures, with a view to promoting the brand while achieving a balance between fashion and environment protection. We focused not only on product design and quality, but also on the fulfillment of corporate social responsibilities and the protection of ecological environment.

During the Year, we arranged a beach-cleaning activity of far reaching significance in Shimei Bay. We invited the youth diving champion of China, the outdoor expert and members of the marine community to jointly clean up the litter on the beach, in order to mitigate marine pollution and protect the health and biodiversity of the marine ecosystem. This activity not only made a difference to the beauty of the local coastline, but also delivered the significance of environmental protection and the idea that everyone can make a contribution to environmental protection to the public.

Bosideng and Tangjiahe Natural Reserve, a national natural reserve, jointly organized a unique experiential activity. We invited experts from various fields to go deep into the natural reserve together and obtain firsthand experience and practical operation and knowledge. In this activity, participants not only shared their exploring experience and insights on life, but also witnessed Bosideng's commitment to explore the unknown and pursue sustainable development.



7. OUTLOOK

In the context of global climate change and sustainable development, governments, businesses and individuals are taking action to reduce greenhouse gas emissions and drive the transition to a low-carbon economy. As the second most polluting industry after petroleum, ESG management of textile and apparel enterprises has become inevitable.

As an industry leader, Bosideng has taken the lead in integrating green production processes into supply chain management and penetrating low-carbon concepts into corporate operations.

In the past year, adhering to the concept of "sustainable fashion", Bosideng has comprehensively considered environmental, social and economic values to minimize the negative impact on the environment and society throughout the life cycle of products. We are committed to creating symbiotic value by adhering to green development and long-termism, and continue to explore the path of sustainable

and high-quality development. Our "1+3+X" ESG strategy demonstrates our firm commitment to sustainability and our long-term vision that extends the concept of sustainability to the entire value chain.

In the future, we will continue to implement the concept of sustainability in the long-term development

strategy, enhance the sense of social responsibility, and establish a good social image of the enterprise. Bosideng will constantly improve the management level of ESG, and with the creation of user and social value as an orientation, build a sustainable fashion capability and an open innovation ecosystem for the brand through comprehensive and leading ESG capabilities.



8. SUMMARY OF ESG PERFORMANCE DATA

ENVIRONMENTAL PERFORMANCE DATA

Greenhouse gas emission				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Scope 1 and 2 emissions	tonnes	45,714.9	36,267.9	31,346.2
Scope 1 and 2 emission density	tonnes/RMB million revenue	2.7	2.9	2.7
Scope 1 emissions	tonnes	140.9	89.1	117.7
Scope 2 emissions (based on location)	tonnes	45,574.0	36,178.8	31,228.5
Scope 3 emissions*	tonnes	1,249,652.6	758,418.5	-

* During FY2021/22, the Group didn't cooperate with external certification authorities to verify Scope 3 emissions.

The calculation method of Scope 1 and Scope 2 greenhouse gas emissions is based on the GHG Protocol: Corporate Accounting and Reporting Standard and other applicable standards. Scope 1 emissions covers greenhouse gas emissions generated by the businesses owned or controlled by the Company, including fuels for stationary and mobile sources, and is calculated using applicable emission factors under the Greenhouse Gas Emission Accounting Methodology and Reporting Guidelines for Enterprises Operating Public Buildings (Trial) and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Scope 2 emissions covers "energy indirect" greenhouse gas emissions generated by the purchased electricity of the Company, and is calculated using applicable emission factors issued by the Ministry of Ecology and Environment and the National Bureau of Statistics.

Energy				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Comprehensive energy consumption	MWh	83,373.9	64,782.3	55,209.8
Energy consumption density	MWh/RMB million revenue	4.9	5.1	4.7
Gasoline	tonnes	11.6	15.3	21.3
Diesel fuel	tonnes	4.4	0.2	1.5
Natural gas	ten thousand cubic meters	4.1	1.9	2.3
Purchased electricity	MWh	81,849.8	63,438.1	53,788.5
Photovoltaic power generation	MWh	893.6	960.3	934.0
Power transmission	MWh	10.3	18.5	38.9
Self-consumed electricity	MWh	883.3	941.8	895.1

Exhaust				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
SO _x	kg	0.3	0.3	0.4
NO _x	kg	18.9	20.5	85.0
PM	kg	1.4	1.5	7.6

Raw material				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Down (raw materials certified)				
RDS	%	100	100	100
bluesign®	%	58	48	45
OEKO-TEX®	%	75	70	65
Main raw materials other than down (materials consumption by length)				
Fabric	%	50	47	47
Lining	%	15	16	15
Gall material	%	35	37	38

Waste				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Non-hazardous waste	tonnes	9,623.6	10,872.9	13,087.4
Hazardous waste*	kg	82.5	0.0	45.0
Non-hazardous waste density	kg/RMB million revenue	565.6	858.7	1,122.4
Hazardous waste density*	kg/RMB 100 million revenue	0.485	0.0	0.386

Water resources				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Water consumption	ten thousand cubic meters	34.7	30.1	30.0
Water drainage	ten thousand cubic meters	11.6	10.0	15.5
Water consumption density	cubic meter/RMB million revenue	20.4	23.8	25.7
Water drainage density	cubic meter/RMB million revenue	6.8	7.9	13.3

Packaging				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Packaging material consumption	tonnes	13,590.5	6,738.7	6,300.4
Packaging material consumption density	kg/RMB million revenue	798.8	532.2	540.3

* During the Year, the hazardous waste generated is mainly due to waste mineral oil generated during routine equipment maintenance.

8. SUMMARY OF ESG PERFORMANCE DATA

SOCIAL PERFORMANCE DATA

Employment				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Number of employees	person	11,831	12,183	10,118
Employee diversity: by gender				
Male	person	2,285	2,218	2,063
Female	person	9,546	9,965	8,055
Employee diversity: by age				
Aged between 18 and 30	person	2,920	4,121	3,007
Aged between 31 and 50	person	8,639	7,946	6,949
Aged 51 and above	person	272	116	162
Employee diversity: by grade				
Non-management	person	10,386	10,924	9,156
General management	person	1,236	1,090	820
Senior management	person	209	169	142
Employee diversity: by management				
Proportion of women in general management	%	52.3	50.9	47.9
Proportion of men in general management	%	47.7	49.1	52.1
Proportion of women in senior management	%	41.6	36.7	33.8
Proportion of men in senior management	%	58.4	63.3	66.2
Proportion of female employees in all management positions	%	50.8	49.0	45.8
Proportion of male employees in all management positions	%	49.2	51.0	54.2
Employee diversity: by employment type				
Formal employees	person	11,831	12,183	10,118
Informal employees	person	0	0	0
Employee diversity: by geographical region				
Mainland China	person	11,761	12,136	10,077
Outside mainland China	person	70	47	41
Employee turnover rate: by gender				
Male	%	2.2	5.7	6.0
Female	%	2.8	1.9	2.3

Employment				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Employee turnover rate: by age				
Aged between 18 and 30	%	2.5	4.6	5.7
Aged between 31 and 50	%	2.4	1.5	1.8
Aged 51 and above	%	0.1	3.3	0.6
Employee turnover rate: by grade				
Non-management	%	3.0	2.4	2.6
General management	%	1.7	4.6	6.7
Senior management	%	0.3	4.5	4.0
Employee turnover rate: by geographical region				
Mainland China	%	4.9	2.6	3.1
Outside mainland China	%/x	0	4.6	0
Employee turnover rate: by employment type				
Formal employees	%	5.0	2.7	4.6
Informal employees	%/x	0	0	1.0 x

Training and development				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Total training hours	hour	178,000	261,137	69,787
Average training hours:	hour/person	15.0	21.4	7.8
Average training hours: by gender				
Male*	hour/person	15.3	21.4	—
Female*	hour/person	15.0	21.4	—
Average training hours: by grade				
Average training hours for senior management*	hour/person	15.9	59.2	—
Average training hours for general management*	hour/person	14.0	50.0	—
Average training hours for non-management*	hour/person	15.0	18.0	—

* In FY2021/22, due to the hardware conditions of the online training system, statistics of average training hours by gender and level type are not available currently.

8. SUMMARY OF ESG PERFORMANCE DATA

SOCIAL PERFORMANCE DATA

Training and development				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Training coverage ratio	%	100	100	100
Training coverage ratio: by gender				
Male	%	100	100	100
Female	%	100	100	100
Training coverage ratio: by grade				
Non-management	%	100	100	100
General management	%	100	100	100
Senior management	%	100	100	100

Health and safety				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Work-related injuries	person	2	2	2
Work-related fatalities	person	0	0	0
Percentage of work-related injuries	%	0.02	0.02	0.02
Percentage of work-related fatalities	%	0	0	0
Days lost due to work injuries	day	30	35	54

Supplier management				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Number of suppliers	/	344	289	281
Suppliers by type				
Suppliers of raw material	/	135	130	119
Production suppliers	/	166	115	122
Other suppliers	/	43	44	40
Suppliers by region				
Mainland China	/	343	288	280
Hong Kong, Macau and Taiwan area	/	1	1	1
Oversea region	/	0	0	0

Supplier management				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Supplier review				
Number of suppliers subject to review	/	344	245	241
Proportion of important suppliers reviewed	%	100	-	-
Number of suppliers with non-compliance	/	44	19	57
Number of suppliers rectified	/	17	0	35
Number of suppliers with whom cooperation is terminated	/	27	19	22
Supplier trainings				
Number of supplier trainings	/	8	7	-
Number of suppliers covered by supplier trainings	/	144	148	-
Implementation of supplier rectification measures				
Number of suppliers supported by rectification measures	/	17	-	-
Proportion of suppliers supported by improvement measures after identifying negative impacts	%	100%	-	-

Community investment				
Indicators	Unit	FY2023/24	FY2022/23	FY2021/22
Charitable donation*	RMB ten thousand	1,911	1,237	2,797

* Charitable donation includes all the donation Bosideng made to charitable organizations, including cash donation and product donation. For product donation, monetary value is derived based on the cost of products.

9. HKEX ESG REPORTING GUIDE INDEX

General disclosure and key performance indicator	Description	Section	Remark
Environmental			
Aspect 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 greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	NATURE POSITIVE	During the Year, there were no material non-compliant events involving gas emissions, sewage discharge into water and land, and waste generation
KPI A1.1	The types of emissions and respective emissions data	N/A	During the Year, gas emissions were immaterial to the operation of the Group
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, density	CLIMATE RESPONSIBILITY SUMMARY OF ESG PERFORMANCE DATA	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, density	WASTE SUMMARY OF ESG PERFORMANCE DATA	
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, density	SUMMARY OF ESG PERFORMANCE DATA	
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them	ESG STRATEGIC GOALS ZERO-CARBON TARGET	
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.	WASTE	No waste reduction target was set during the Year

General disclosure and key performance indicator	Description	Section	Remark
Aspect A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	NATURE POSITIVE	
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and density	CLIMATE RESPONSIBILITY SUMMARY OF ESG PERFORMANCE DATA	
KPI A2.2	Water consumption in total and density	SUMMARY OF ESG PERFORMANCE DATA	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	CLIMATE RESPONSIBILITY	
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.	WATER RESOURCES	During the Year, the Group did not have any issue in sourcing water that is fit for purpose
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	SUMMARY OF ESG PERFORMANCE DATA	
Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	NATURE POSITIVE	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	NATURE POSITIVE	
Aspect 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.	CLIMATE RESPONSIBILITY	
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.	CLIMATE RESPONSIBILITY	

9. HKEX ESG REPORTING GUIDE INDEX

General disclosure and key performance indicator	Description	Section	Remark
Social			
Employment and Labor Practices			
Aspect 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.	OUR EMPLOYEES	During the Year, there were no material non-compliant events involving employment and labor practice
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	OUR EMPLOYEES SUMMARY OF ESG PERFORMANCE DATA	
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	SUMMARY OF ESG PERFORMANCE DATA	
Aspect B2: Health and Safety			
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.	OUR EMPLOYEES	During the Year, there were no material non-compliant events involving occupational health and safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	SUMMARY OF ESG PERFORMANCE DATA	
KPI B2.2	Lost days due to work injury	SUMMARY OF ESG PERFORMANCE DATA	
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	OUR EMPLOYEES	

General disclosure and key performance indicator	Description	Section	Remark
Aspect B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	OUR EMPLOYEES	
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	OUR EMPLOYEES SUMMARY OF ESG PERFORMANCE DATA	
KPI B3.2	The average training hours completed per employee by gender and employee category.	OUR EMPLOYEES SUMMARY OF ESG PERFORMANCE DATA	
Aspect 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.	OUR EMPLOYEES	During the Year, there were no material non-compliant events involving child or forced labor
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	OUR EMPLOYEES	
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	OUR EMPLOYEES	
Operating Practices			
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	OUR SUPPLY CHAIN	
KPI B5.1	Number of suppliers by geographical region.	SUMMARY OF ESG PERFORMANCE DATA	
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.	OUR SUPPLY CHAIN	
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	OUR SUPPLY CHAIN	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	NATURE POSITIVE OUR SUPPLY CHAIN	

9. HKEX ESG REPORTING GUIDE INDEX

General disclosure and key performance indicator	Description	Section	Remark
Aspect 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.	PRODUCT POSITIVE	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A	During the Year, there were no recalls for safety and health reasons
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	PRODUCT MANAGEMENT	
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	PRODUCT POSITIVE	
KPI B6.4	Description of quality assurance process and recall procedures.	PRODUCT POSITIVE	
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	RESPONSIBLE BUSINESS PRACTICES	

General disclosure and key performance indicator	Description	Section	Remark
Aspect 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.	RESPONSIBLE BUSINESS PRACTICES	
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.	N/A	During the Year, there were no concluded legal cases regarding corrupt practices brought against the Group or employees
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	RESPONSIBLE BUSINESS PRACTICES	
KPI B7.3	Description of anti-corruption training provided to directors and staff.	RESPONSIBLE BUSINESS PRACTICES	
Community			
Aspect B8: Community 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.	OUR COMMUNITY	
KPI B8.1	Focus areas of contribution.	OUR COMMUNITY	
KPI B8.2	Resources contributed to the focus area.	OUR COMMUNITY	

10. INDEPENDENT ASSURANCE REPORT



Independent Practitioners' Limited Assurance Report

To the Directors of Bosideng International Holdings Limited

Report on selected information in Bosideng International Holdings Limited's 2023/24 Environmental, Social and Governance Report for the year ended March 31, 2024

Conclusion

We have performed a limited assurance engagement on the following information in Bosideng International Holdings Limited's ("Bosideng") 2023/24 Environmental, Social and Governance Report (hereafter referred to as "the Assured Sustainability Information") for the year ended March 31, 2024:

- Assured Sustainability Information

- Scope 1 greenhouse gas (GHG) emissions
- Scope 2 GHG emissions
- Scope 1 and 2 GHG emission density
- Total energy consumption
- Charitable donations

- Applicable Criteria

- ESG data reporting scope and methodology as disclosed in the sections "Basis of Preparation" and "Period and Scope" under the chapter "About This Report", and the "Summary of ESG Performance Data" in the 2023/24 Environmental, Social and Governance Report

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Assured Sustainability Information for the year ended March 31, 2024 is not prepared, in all material respects, in accordance with the Applicable Criteria.

Our conclusion on the Assured Sustainability Information does not extend to any other information that accompanies or contains the Assured Sustainability Information and our assurance report. We have not performed any procedures with respect to the other information.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

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

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Intended use or purpose

This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Our conclusion is not modified in respect of this matter.

Responsibilities for the Assured Sustainability Information

The Directors of Bosideng are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Assured Sustainability Information;
- selecting or developing suitable criteria for preparing the Assured Sustainability Information and appropriately referring to or describing the criteria used; and
- preparing the Assured Sustainability Information in accordance with the Applicable Criteria.

Inherent limitations in preparing the Assured Sustainability Information

Greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Assured Sustainability Information are free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to you.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgement and maintained professional scepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Assured Sustainability Information that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Assured Sustainability Information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we:

- evaluated the suitability in the circumstances of Bosideng's use of the Applicable Criteria, as the basis for preparing the Assured Sustainability Information;
- through inquiries of relevant staff responsible for the preparation of the Assured Sustainability Information, obtained an understanding of Bosideng's control environment, processes and information systems relevant to the preparation of the Assured Sustainability Information, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- tested a limited number of items to or from supporting records, as appropriate;
- performed analytical procedures where appropriate by comparing to the prior period results reported and made inquiries of management to obtain explanations for any significant differences we identified;
- performed recalculations of selected data in the Assured Sustainability Information; and
- considered the presentation and disclosure of the Assured Sustainability Information.

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

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
July 26, 2024

波司登
BOSIDENG

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