

LEADING SUSTAINABLE FASHION



2025/26

Climate Responsibility Report

Bosideng International
Holdings Limited

Incorporated in the Cayman Islands
with limited liability

Stock Code: 3998.HK



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About this Report

This report is the second Climate Responsibility Report ("this Report") published by Bosideng International Holdings Limited ("the Company"). It aims to systematically present the strategic vision, implementation pathways, and phased achievements of the Company and its subsidiaries (collectively referred to as "Bosideng", "we", "the Company" or "the Group") in addressing climate change issues. The Report seeks to respond to external concerns in a clear and transparent manner and to enhance stakeholders' understanding of and trust in the Company's climate governance capabilities. At the same time, it also reflects the Company's long-term commitment and ongoing actions to strengthen climate resilience and improve its sustainability performance.



I Basis of Preparation

The preparation of this report is primarily based on the *Recommendations of the Task Force on Climate-Related Financial Disclosures* (TCFD), the *Implementation Guidance for Climate Disclosures under HKEX ESG Reporting Framework*, the *Environmental, Social and Governance Reporting Code*, *IFRS S2 Climate-Related Disclosures*, and the *Sustainability Accounting Standards Board ("SASB") Standards* for the Apparel, Accessories & Footwear industry.

I Period and Scope

This is an annual report covering the period from 1 April 2025 to 31 March 2026 (the "2025/26 Fiscal Year" or "this year"). Some content has been extended appropriately in terms of time scope to meet disclosure needs.

Given that the branded down apparel business constitutes the core component of the Group's operations (accounting for approximately 86.2% of the Group's total revenue for this year), this Report will focus on analyzing and disclosing information related to the branded down apparel business. Unless otherwise specified, the environmental key performance indicators disclosed in this report cover only the Group's headquarters, self-operated branded down apparel retail stores (including exclusive brand stores and consignment outlets) located within the People's Republic of China (the "PRC" or "China"), as well as logistics centers and warehouses. This disclosure scope is consistent with that of the Bosideng 2025/26 Fiscal Year Environmental, Social and Governance Report. We will expand the scope of disclosure to the non-down apparel businesses when feasible in the future.

I Forward-Looking Statements

Except for historical facts, certain content in this Report consists of forward-looking statements based on current information and judgments, aiming to reflect the Company's reasonable expectations regarding possible future developments. Such statements include, but are not limited to: key assumptions, implementation prerequisites, policy and market changes, greenhouse gas emission targets, identification and assessment results of climate-related risks, as well as future response strategies and action pathways.

It should be specifically noted that forward-looking statements are inevitably subject to various external uncertainties, such as changes in regulations, technological advancements, macroeconomic fluctuations, natural disasters, and other uncontrollable circumstances. The actual progress or outcomes of related matters may differ from the forecasts contained in this Report.

The forward-looking statements in this Report are based on information available as of September 2026. Bosideng has no obligation or liability to revise the forward-looking statements contained herein, nor does it accept responsibility for any deviations in forecasts resulting from new information, future events, or other circumstances.

Chairman's Statement



Fifty Years of Warmth and Heritage Defining Long-Term Corporate Value through Climate Action

Dear shareholders, partners, industry colleagues, and friends from all sectors of society,

Bosideng celebrates its 50th anniversary in 2026. For five decades, we have remained firmly rooted in our industry and focused on our core down apparel business, with a steadfast commitment to bringing warmth and protection to consumers. As the green transition reshapes the economy, that promise has taken on a broader meaning. We must continue to make high-quality products for different climates and occasions while using resources responsibly, creating lasting value and working with partners across our value chain to support a future in which people and nature can thrive together.

Today, global climate governance continues to deepen. China's 15th Five-Year Plan Outline has set out the comprehensive implementation of a dual-control system for both the total amount and intensity of carbon emissions, while green and low-carbon development, digital and intelligent transformation, and the circular economy are reshaping the competitive landscape across industries. For the apparel sector, climate change affects demand, raw material supply, production planning and logistics. It is also raising expectations among consumers, market participants and regulators for better environmental performance and greater corporate responsibility over the long term.

Building on years of sustainability work, we have put in place a systematic approach to climate governance and are moving steadily toward net zero.

Grounded in the realities of our industry and our own development, the Group has woven climate responsibility and ESG governance into its top-level strategy, continually strengthening the climate resilience and sustainability capabilities that underpin long-term competitiveness. Under our "1+3+X" ESG strategic framework, we aim to achieve net-zero emissions in our operations by 2038. Our priorities include climate action, green operations, low-carbon innovation and the circular economy, all of which are increasingly embedded in day-to-day decision-making and operations across the value chain. Executive pay is explicitly tied to climate action performance, and the Chairman of the Board is directly accountable for ESG matters-taking climate governance from the boardroom to the front line of management, and laying firm foundations for our low-carbon transformation.

Across the value chain, we are driving low-carbon innovation, upgrading our products, and helping set new sustainability standards for the industry.

Green design, durability and circularity now inform every stage of the product lifecycle. Guided by consumer needs, we keep improving how our products perform across seasons, occasions and years of wear. In response to warmer winters, greater temperature volatility and more varied outdoor activities, we are expanding lightweight down, functional outerwear and sun-protective clothing, so that our products depend less on any single season or climate. As the leading drafting organization of *Technical Specification for Green-Design Product Assessment-Down Apparel*, we have led or participated in developing several industry standards on recyclable fashion design, carbon neutral store evaluation and ESG disclosure for the down industry-evolving from a company that follows industry norms into one that helps write them. On raw materials, 100% of the down we use is certified under the Responsible Down Standard (RDS). We improve sourcing transparency and compliance through traceability, quality testing and supplier management. We are also expanding the use of certified, recycled and bio-based materials and assessing their environmental impact from procurement and production to use, recovery and end-of-life treatment.

In circular fashion, we are pioneering a "Garment-to-Garment" (G2G) closed loop and leading consumption toward greener practice. Through innovative design and technology, the CIRCULAR 3.0 series explores a closed-loop "Garment-to-Garment" (G2G) model. It is the first product from a Chinese apparel brand to earn the CIRCULARITY certification launched by TESTEX, and has won the ISPO Awards among other international honors. Beyond the product itself, we have connected services across its whole life cycle-care, repair and refurbishment, and take-back of unused garments-making it easier for consumers to keep products in use longer and cutting the waste of idle or discarded clothing. Circular fashion, in our view, is not about swapping one material for another. It is a long-term transformation that product design, supply chains, consumer experience and recycling must advance together.

Across our operations and supply chain, we are advancing energy efficiency, lower emissions and climate adaptation. Distributed photovoltaic, green electricity procurement and intelligent energy management are steadily improving our energy mix and bringing down the

energy consumption and carbon emissions of production. We also need to keep the business running reliably as weather patterns become more volatile. Flexible financial budgeting and planning, a resilient supply chain and omnichannel integrated merchandise operations give us greater flexibility in product planning, resource allocation, inventory transfers and logistics fulfilment. Intelligent warehousing, rapid replenishment, regional stock transfers and order coordination reduce the effects of unusual weather, swings in demand and local logistics disruptions. Together, these measures support business continuity and help keep our value chain operating reliably.

With a clear aspiration, no destination is beyond reach; with persistent action, progress never ceases. Over the past year, the Group has achieved meaningful progress in sustainability governance and practice. Bosideng attained the highest MSCI ESG Rating of "AAA", was included for the first time in *S&P Global Sustainability Yearbook 2026* and the Dow Jones Best-in-Class Index (DJ BIC), and maintained its leading position in CDP climate change with a "B" rating. In recognition of our efforts to build a transparent and responsible supply

chain ecosystem, the Group was selected as one of the inaugural members of the United Nations Global Compact "25 Sustainable Supply Chain Leaders' Alliance", and our circular fashion practices were selected as a 2025 representative case of the "Building Sustainable Brands" Visionary Initiative. We take these recognitions as both encouragement and obligation-a reminder that responsibility must live in every part of the business and every management decision.

For fifty years, we have pursued excellence while bringing warmth to the world; as we embark on a new journey, we continue to explore a better future through climate action. Bosideng's development journey have shown us that long-term corporate success can only be sustained when it moves in step with the times, advances ecological stewardship and contributes to industrial progress. Looking ahead, we will remain committed to long-termism and sustainable development. We will steadily advance our phased targets for 2030, 2035 and 2038, focusing on climate resilience, low-carbon materials, clean energy, energy efficiency, green supply chains and the circular economy. We will take a more prudent approach to identifying and managing climate-related risks,

adopt more pragmatic actions to advance both mitigation and adaptation, and communicate with greater transparency in responding to the expectations of our stakeholders.

Responsibility guides us through change; innovation opens the next chapter. As Bosideng enters its next 50 years at the start of China's 15th Five-Year Plan, we will continue to respond to change with responsibility and move forward through innovation. We look forward to working with our employees, consumers, suppliers, partners and wider society. With professionalism, we will continue to bring warmth and protection; with innovation, we will drive transformation; and with responsibility, we will create long-term value. Together, we will move towards a greener, more resilient, inclusive and sustainable future.



Mr. Gao Dekang
Chairman of the Board & President
September 2026

Executive Summary

Governance

- Established a three-tier climate governance structure comprising the Board of Directors—Sustainability Steering Group—All Departments, integrating climate change into the Group's strategic planning, business decision-making and long-term development;
- Included climate issues in the standing agenda of the Board of Directors, with at least one dedicated discussion each year to continuously strengthen the oversight and management of climate-related matters;
- 5%** of the remuneration of the Chairman of the Board and Chief Executive Officer is directly linked to climate action performance and aligned with annual performance assessments and the medium- and long-term climate targets for 2030, 2035 and 2038.

Strategy

- Amid the warm winter challenge, Bosideng leveraged its three major models—"flexible financial budgeting and planning," "resilient supply chain," and "omnichannel integrated merchandise operations"—to achieve rapid adjustment of merchandise in response to climate change and alignment with consumer demand, reducing annual inventory turnover days by **1** day YoY;
- Applied the MSCI Climate Physical Risk Model to assess **40** assets across **26** cities worldwide, identifying extreme heat and pluvial flooding as the two physical risks with the highest financial materiality;
- In FY2025/26, Bosideng launched a supply chain ESG digital management platform to dynamically assess supplier ESG performance. By requiring suppliers to submit relevant performance data on a quarterly basis, we achieved **100%** ESG performance traceability across our core suppliers, encompassing energy consumption and carbon data;
- In FY2025/26, we drove upstream suppliers' total clean energy consumption reached **5,455** MWh, while indicators related to energy consumption per unit of product and water and electricity consumption per labor hour at associated factories decreased by **5.2%** YoY;
- In FY2025/26, **100%** of the logistics cartons used across the Group's core apparel brands and the paper shopping handbags provided at Bosideng's offline stores achieved FSC or FSC Mix certification. Furthermore, recycled materials account for approximately **76%** of the content in Bosideng's logistics cartons.

Impact, Risk and Opportunity Management

- From the four dimensions of occurrence time and impact cycle, occurrence time probability, degree of impact on strategy and performance, conducted a systematic assessment of climate-related risks to provide a basis for risk prioritization and response;
- For key climate risks, systematically reviewed existing risk mitigation measures and benchmarked them against industry best practices to identify areas for improvement, while continuously tracking and evaluating the effectiveness of response measures;
- Integrated climate-related impacts, risks and opportunities into existing ESG and comprehensive risk management processes, further embedding climate risks into a closed-loop process spanning risk management, strategy and business integration;
- Systematically identified climate-related opportunities across five categories—energy utilization, products and services, market, strategy and reputation—and assessed their potential impacts on business, strategy, the value chain and financial performance.

Metrics and Targets

- Continued to advance the target of "achieving net-zero emissions in its operations by 2038", covering **over 95%** of the Group's Scope 1 and Scope 2 emissions, with plans to reduce greenhouse gas emissions by **more than 90%** from the baseline year; Scope 3 emissions decreased by **0.69%** YoY in FY2025/26;
- In FY2025/26, the procurement proportion of GRS-certified fabrics reached **55%**, with a target of reaching **60%** by 2028;
- In FY2025/26, the procurement proportion of Textile Exchange-certified zippers reached **55%**, with a target of reaching **60%** by 2028;
- 90%** of fabrics produced by the Group's associated factories have obtained Global Recycled Standard (GRS) certification for recycled materials; **100%** of the wool used has obtained Responsible Wool Standard (RWS) certification;
- The Group plans to achieve a **40%** utilization rate of low-carbon fabrics across all product lines by 2030, increase it to **80%** by 2038, and raise the terminal product recycling rate to **over 30%**.



A man with brown hair and blue eyes, wearing a grey hooded jacket over a dark blue shirt and a light blue striped shirt, stands in a modern, grey-tiled environment. He is holding a black notebook and looking towards the camera. The background is a wall of large grey tiles, and a shadow of the man is cast on the wall behind him.

01

Bosideng's Climate Commitment

The global warming trend continues. According to the World Meteorological Organization (WMO)'s *State of the Global Climate 2025*, the years 2015-2025 were the 11 warmest on record, with 2025 ranking as the second or third warmest year on record. Achieving the global climate goals set out in the *Paris Agreement* requires key sectors, including the apparel and textile industry, to accelerate their low-carbon transition. Meanwhile, climate change continues to intensify the physical risks facing the textile industry. In 2025, *The Heat Is On: How Heat Stress Impacts the Apparel Industry, Jobs, and Worker Health*, jointly prepared by Cornell University's Global Labor Institute (GLI) and the International Finance Corporation (IFC), with input from the International Labour Organization's (ILO) Better Work team, highlighted the growing impacts of heat and flooding on global apparel production. Across most major apparel production centers, the average number of days with temperatures of 35°C or above increased by more than 10%. Low-carbon transition and climate adaptation have become common requirements for the apparel industry's long-term sustainable development.

Operating in the apparel and textile industry, Bosideng continues to monitor the risks and opportunities that climate change may bring to its development, and regards comprehensively advancing green transformation as a key direction for addressing climate change. In response to the different pathways through which climate change may affect the Group, we advance adaptation and mitigation actions in parallel: we identify and manage relevant risks to enhance the Group's climate adaptability to potential operational impacts, while reducing carbon emissions from business activities to mitigate the impact of our operations on climate change.

Bosideng continues to deepen its "1+3+X" Environmental, Social and Governance (ESG) strategic framework, guided by the vision of "leading sustainable fashion with a consumer-oriented approach" and focused on "Product Positive, Nature Positive and People Positive." It integrates sustainability throughout its operations and continuously advances diverse initiatives to strengthen ESG capabilities and lead sustainable transformation across the value chain. In 2026, Bosideng first proposed systematically embedding its ESG strategy in product development, brand communication and store services to support climate-transition implementation from production to consumption. Around the three business dimensions—"Good Products", "Good Stories" and "Good Experiences"—the Group is building a closed loop of sustainable value from production to consumption, expanding sustainability through consumer co-creation and making ESG a core driver of high-quality business development.

Bosideng has long been driven by technological innovation and management optimization, with reducing carbon emissions across the product lifecycle as a key pathway for delivering its climate commitment. It also continues to participate in local sustainability practices by extensively engaging with industry associations and conducting multiple external exchanges and outreach activities, encouraging more industry partners to join climate action. At the same time, the Group has review and oversight procedures for climate-related public activities; all proposed public policy activities and public climate position statements require the Chairman of the Board's signed authorization, ensuring alignment with the *Paris Agreement* and China's "Dual Carbon" goals.

The Group reports under four pillars, "Governance—Strategy—Impact, Risk and Opportunity Management—Metrics and Targets", to systematically present its climate management and actions and promote the continued integration of climate governance into daily operations.

■ Advancing Climate-Related United Nations Sustainable Development Goals

Bosideng continues to use the United Nations Sustainable Development Goals (SDGs) as an important reference for strengthening ESG management and advancing business practices. Focusing on climate change and green, low-carbon development, the Group continues to focus on seven SDGs closely related to climate action and contributes to their achievement through clean energy, technological innovation, green operations, responsible production, climate action and ecological protection.

Climate-Related United Nations Sustainable Development Goals	Bosideng FY2025/26 Practices
Affordable and Clean Energy 	Clean Energy Deployment - Continued to expand renewable energy and install rooftop PV systems on eligible warehouses in the East China logistics park, with the Group's logistics parks generating 953.0 MWh of photovoltaic electricity Green Supply Chain - Actively promoted and encouraged upstream suppliers to deploy clean energy, whose total clean energy consumption reached 5,455 MWh Green Electricity Procurement - Procured 3,018 MWh of solar- and wind-based green electricity and Green Electricity Certificates (GECs) during the year Green Logistics - Implemented green logistics practices in collaboration with core logistics partners by continuously expanding the use of new energy vehicles, optimizing delivery routes and utilizing smart logistics and warehousing solutions, reducing the average carbon footprint per parcel by approximately 28% YoY

Climate-Related United Nations Sustainable Development Goals	Bosideng FY2025/26 Practices
Industry, Innovation and Infrastructure 	Standards Leadership - Participated in the release of <i>Greenhouse Gas-Quantification Method and Requirements for Carbon Footprint of Products-Down Feathers and Products</i> (T/CAS 1108-2025) - Beijing Sanlitun Summit Concept Store participated in developing the industry's first "Carbon Neutral Store" standard - Led the drafting of T/CNGA 33-2021 <i>Technical Specification for Green-design Product Assessment-Down Apparel</i> - Jointly revised with the China Feather and Down Industrial Association T/CFDIA 011-2025 <i>Greenhouse Gases-Quantitative Methods and Requirements of Product Carbon Footprint-Down and Feather and Their Products</i> and T/CFDIA 012-2025 <i>Down Industry Enterprise Environmental, Social and Governance (ESG) Disclosure Guidelines</i> - As the first drafting organization, jointly led the development of <i>Specifications for Recyclable Fashion Design</i> with the China Fashion & Colour Association Technological Breakthroughs - Launched 100% bio-based mono-material fabrics, including BOSIDENG® 100Biolon and BOSIDENG® Pure, advancing lower-carbon and circular products - BOSIDENG® ONE-HEAT uses recycled polyester and TPE film, improving recyclability and resource circulation efficiency through recycled fibers and lightweight design while reducing virgin resource use - Continued to use materials including bio-based nylon, bio-based spandex and bio-based films, and launched BOSIDENG® elpower, combining high-performance breathability with low-carbon attributes - Replaced petroleum-based materials with plant-derived alternatives and adopted metal compound-free films and low-chemical-auxiliary processes to reduce impacts on people and the environment Intelligent Management - Developed the GiMS intelligent manufacturing platform, integrating 5G + industrial internet, big data cloud platforms and AI to enable flexible mass customization, with industry-first automated down-filling and packaging equipment - Integrated AI large models, big data, cloud computing and 3D garment digitalization to optimize AI planning, AI development, 3D pattern modeling and virtual garment delivery, improving efficiency while reducing unit energy use and carbon intensity in R&D - Achieved full online energy-monitoring coverage at national-level intelligent manufacturing demonstration factories, continuously optimizing key performance indicators such as production efficiency and energy consumption - Established a supply chain ESG digital management platform, enabling ESG performance traceability for 100% of core suppliers, including energy consumption and carbon data
Sustainable Cities and Communities 	Green Retail - Prioritized stores in green building-certified premises and continued to expand green mall coverage, targeting over 90% - Completed energy-saving upgrades at over 1,000 directly operated stores nationwide, achieving 100% coverage. All stores use high-efficiency LED lighting, with fixtures upgraded in 2025 reducing electricity use by 13% at the same lighting efficiency - Equipped core stores with intelligent gateway lighting controls and variable-frequency air conditioners, reducing air-conditioning energy use by approximately 30% Low-Carbon Practices - Defined emission reduction plans for each operational stage and reduced energy use and carbon emissions through digital, intelligent and circular measures. Verified carbon units (VCUs) are used only for high-quality offsetting of hard-to-abate residual emissions; during the year, 1,509 VCUs were voluntarily canceled under the Verra standard, equivalent to approximately 1,509 metric tons of carbon dioxide equivalent (CO₂e)

Climate-Related United Nations Sustainable Development Goals	Bosideng FY2025/26 Practices
Responsible Consumption and Production 	Material Traceability 100% of down obtained RDS certification, with 92% passing OEKO-TEX® STANDARD 100 certification 100% of fabrics containing wool obtained Responsible Wool Standard (RWS) certification - The independently developed GiMS system enables end-to-end raw material traceability Chemical Management - Set a strategic goal of achieving "zero discharge of toxic and hazardous chemicals in the supply chain" by 2030 - Complete the development and detailed implementation of a supply chain-wide chemical phase-out roadmap in 2026 Circular Design - Further advanced the "Garment-to-Garment (G2G)" closed-loop through CIRCULAR 3.0 - Circular 3.0 received the CIRCULARITY (circular label) certification launched by Swiss testing agency TESTEX, making Bosideng the only Chinese apparel brand to receive this certification
Climate Action 	Carbon Targets - Continued to advance the target of "achieving net-zero emissions in its operations by 2038"; Scope 3 emissions decreased by 0.69% YoY in FY2025/26 Carbon Footprint Management - Multiple core products obtained carbon footprint certification from the China Quality Certification Centre (CQC) - Plans to launch the Product Carbon Footprint Platform in 2026
Life Below Water 	Ecological Procurement - Prioritized procurement of RDS-certified down Water Stewardship - Required suppliers to obtain wastewater discharge permits and ensured 100% compliance with wastewater discharge from both its own operations and suppliers
Life on Land 	Ecological Conservation Launched a new phase of the Alxa League "Carbon Neutral Forest" project, covering an afforestation area of 660 mu with plans to plant 33,000 trees, supporting desertification prevention and control, soil and water conservation, and ecological restoration in Alxa League

■ Joining United Nations Sustainable Development Initiatives

Bosideng continues to deepen cooperation with international organizations and industry bodies through sustainability initiatives and projects, jointly exploring pathways for climate action and the industry's green transition. Working with the United Nations Global Compact (UNGC), the United Nations Environment Programme (UNEP) and other international organizations, the Group focuses on global sustainability principles, credible green consumption, coordinated value-chain transformation and circular fashion innovation. Through the "25 Sustainable Supply Chain Leaders' Alliance", Retail4Impact and the "Building Sustainable Brands" Visionary Initiative, Bosideng translates international sustainability principles into corporate governance, supply chain management, consumer communication and product innovation.

Advancing the United Nations Global Compact and Joining the "25 Sustainable Supply Chain Leaders' Alliance"

Bosideng translates international sustainability requirements into management requirements and concrete actions for long-term corporate development. Guided by the United Nations Sustainable Development Goals (SDGs), the Group embeds environmental responsibility, social value creation and integrity governance into its sustainability framework through action plans and performance indicators. As a United Nations Global Compact (UNGC) signatory, it supports the Ten Principles on human rights, labour, environment and anti-corruption and integrates them into governance and daily operations.

Implementation of the SDGs is supported by the existing governance system and gradually extended to business operations, supply chain management and stakeholder collaboration. Under the "1+3+X" ESG framework, Bosideng continues to expand the coverage of green management, with the long-term goal of leading sustainable fashion development across the value chain and collaboratively extending its sustainability requirements upstream and downstream.

Under "Ecological Win-Win", the Group integrates these requirements into raw material procurement, product design, manufacturing, logistics and supplier management to enable green collaboration across the value chain. It advances responsible sourcing, sustainable materials innovation and product lifecycle circularity; uses digital and intelligent tools to improve production and energy management efficiency;

and promotes green logistics with partners; at the same time, it strengthens upstream chemicals management through the *Chemicals Control Manual* and ZDHC, gradually building an interconnected green value-chain management system.

In FY2025/26, Bosideng was selected as an inaugural UNGC "25 Sustainable Supply Chain Leaders' Alliance" member for building a transparent, symbiotic and responsible supply chain ecosystem, and was the only selected enterprise from China's textile and apparel industry. The Group's green management model spanning the entire value chain was also selected as a featured case under the theme of "Ecological Win-Win".The selection further demonstrates Bosideng's role as a chain-leading enterprise in extending sustainability requirements from its own operations to value-chain partners and supporting the textile and apparel industry's green and low-carbon transition through industry collaboration.

Retail4Impact Initiative

In 2025, Bosideng formally joined the United Nations Environment Programme (UNEP) Retail4Impact global initiative as a benchmark participant in sustainable retail. The Group uses its participation in international sustainable consumption action to further deepen its environmental commitments and strengthen communication of products' green and low-carbon attributes to consumers. Through green design, eco-friendly materials and low-carbon supply chains, it continuously integrates sustainability into products and

consumption scenarios, deepens consumer understanding of the fashion industry's sustainable transition, and promotes the gradual integration of sustainable fashion into everyday consumption choices.

Following *UNEP's Guidelines for Providing Product Sustainability Information* (the "Guidelines") and its ten principles, Bosideng develops and evaluates product sustainability claims. Product labels, packaging and e-commerce platforms serve as key channels for disclosing sustainability information and guiding green consumption, improving consumer access to and understanding of product environmental information.

In external communications, the Group discloses product sustainability information openly, transparently and in a standardized manner, strengthening its truthfulness and verifiability to prevent greenwashing. By improving green disclosure and consumer communication, Bosideng aligns its actions with the United Nations Sustainable Development Goals and contributes a Chinese brand case to sustainable consumption in global retail.

In the Retail4Impact public case, Bosideng used a children's down jacket made with SORONA® bio-based material to apply the Guidelines to the formation, verification and communication of product sustainability claims. The Group first used lifecycle hotspot analysis to identify the carbon footprints of raw material procurement and manufacturing as the product's main environmental concerns, while third-party Life Cycle Assessment (LCA) provided professional support

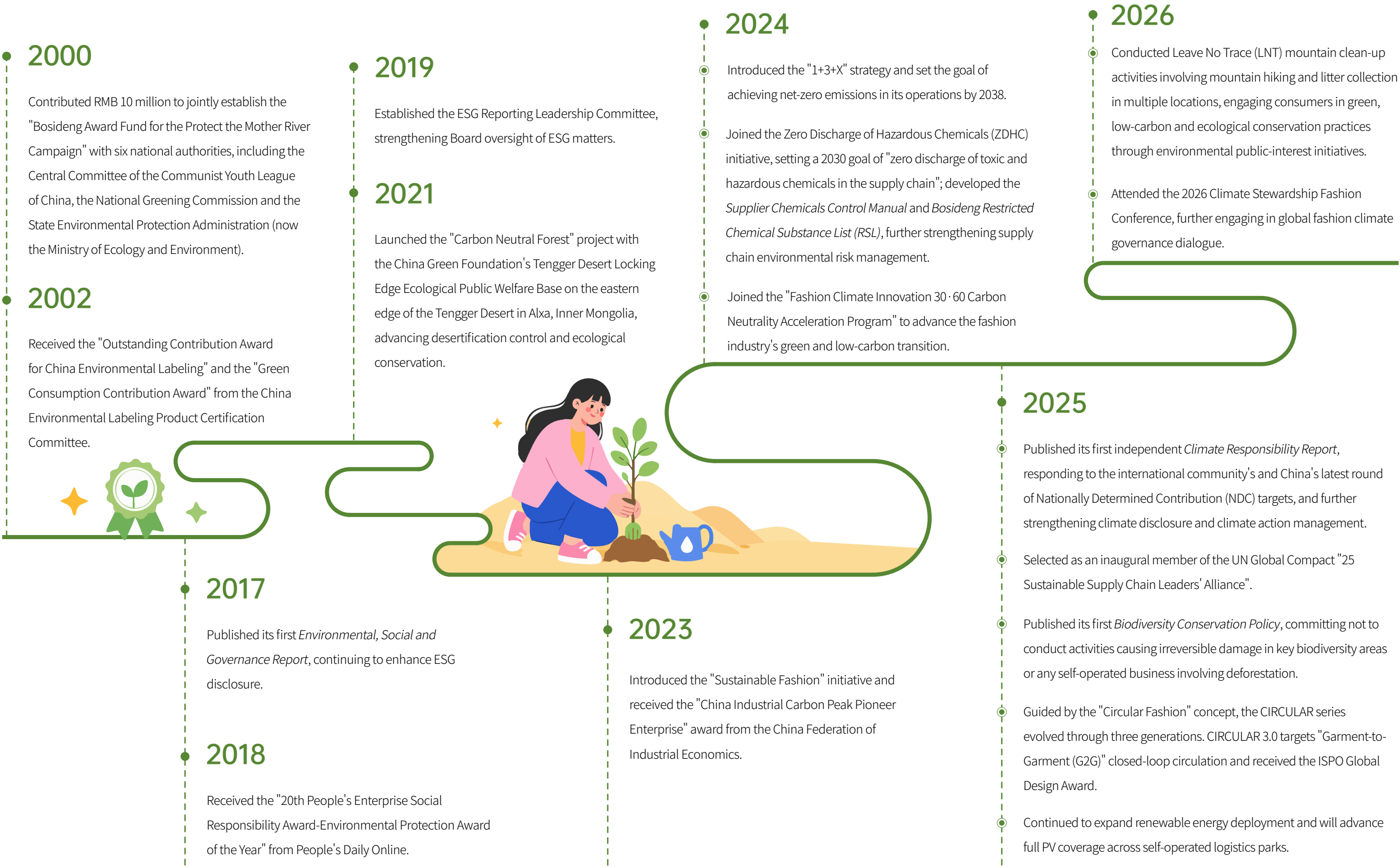
for the claims, improving their relevance and reliability. Based on the assessment, the product explicitly states that SORONA® replaces conventional nylon to reduce dependence on petroleum resources; compared with conventional nylon production at equivalent output, related GHG emissions are reduced by 59%, and the certified product carbon footprint is 11.63 kg CO₂e. Using specific quantitative data rather than vague environmental statements further strengthens claim clarity and comparability.

To support claim transparency and accessibility, Bosideng displays key environmental information on product labels and provides supporting information and verification through the China Textile Information Center website, Bosideng's website and ESG reports. At the same time, official social media, online sales platforms and physical stores are used to communicate product knowledge and engage consumers, enabling environmental information to be accessed and understood across consumer touchpoints. The Group also incorporates lifecycle thinking, behavior change and long-term impact into these practices, extending consumer participation into product use and post-consumer stages through recycling trade-ins, garment upcycling workshops, and member and customer engagement.

Through applying the Guidelines, Bosideng products were featured on UNEP's official platform as one of five enterprise cases worldwide, further showcasing the Group's outstanding practice in integrating credible environmental information, low-carbon product innovation and consumer communication.

Bosideng's 50-Year Sustainability Milestones

Bosideng began in 1976 with a dream of reaching the summit of Mount Everest. Staying true to its mission of warmth and focused on its core business, it embarked on a journey of entrepreneurship and innovation. Over 50 years, Bosideng's understanding of warmth has extended beyond protection from the cold to safeguarding nature and the planet.



A man and a woman are walking across a crosswalk on a paved road. The woman, on the left, is wearing a tan quilted jacket over a white t-shirt and dark cargo pants. She is holding a clear plastic cup with a dark beverage. The man, on the right, is wearing a dark blue jacket over a white t-shirt, tan pants, and a brown beanie. He is also holding a clear plastic cup. They are both looking towards the right. The background shows a crosswalk with white stripes on a grey asphalt road. A large shadow is cast on the left side of the image.

02

Governance

■ Climate Governance Structure

Strengthening the Climate Governance System

Bosideng continues to strengthen its climate governance system, integrating climate change into strategic planning, business decisions and long-term development, while continuously identifying and managing related risks and opportunities in line with its business characteristics. As down apparel is its core product, climate factors such as warmer winters are closely linked to product demand and business performance and are therefore treated as important variables in routine business decisions. At the same time, the Group has established a climate risk assessment mechanism covering the short, medium and long term, continuously refining management measures based on analysis of potential physical and transition risk impacts to strengthen business resilience to climate change.

The Group has established a tiered climate governance structure comprising the Board, Sustainability Steering Group and all departments, with clear decision-making, coordination and implementation responsibilities. Regular disclosure, capacity building, oversight and assessment continue to strengthen governance effectiveness.

The Sustainability Steering Group comprises heads of multiple business and functional departments, including the Board Office, Capital Market Center, Supply Chain Management Center, Business Division, Logistics, Financial Management, Human Resources, Information Technology, Product R&D, Internal Audit, Legal and Compliance, Administration, Brand Management Center and Party Affairs. Through cross-functional collaboration, it advances the implementation of ESG work, including climate change-related work.



Bosideng Climate Governance Structure

Decision-Making Level Board of Directors

- Approves the Group's overall ESG strategy and related reports, and bears ultimate and full responsibility for the Group's overall sustainability direction, strategy, targets, performance and reporting.

Management Level Sustainability Steering Group

- Chaired by the Chairman of the Board, with members comprising heads of ESG-related departments;
- Formulates ESG objectives, strategies and work plans, including those related to climate change;
- Identifies, reviews, monitors and examines material ESG issues, risks and opportunities that may affect the Group's operations and performance;
- Oversees and reviews ESG policies, practices, frameworks and management approaches, including those related to climate change, and reports to the Board with recommendations for improvement.

Execution Level All Departments

- Implements the Group's sustainability strategy and climate action plans at the departmental level, and consolidates and assesses ESG risks and opportunities identified by employees in their work.

Enhancing Climate Governance Capabilities

The Group enhances the transparency and professionalism of climate governance through disclosure, training and capacity building. It regularly discloses key information on GHG emissions, reduction targets and progress, and supports Board members and senior management in external seminars and training to stay abreast of climate-related regulations, industry trends and market developments and strengthen their ability to identify and address climate-related risks and opportunities.

Board members regularly receive training from ESG industry experts to stay informed of industry trends, regulatory developments and capital market expectations, and obtain professional support through engagement with internal and external ESG teams. During the year, the Group conducted an internal Board performance evaluation across six dimensions-Board composition and skills, Board dynamics, Board proceedings, compliance and training, risk management, and stakeholder engagement-to review the Board's operations and performance of duties; regular evaluations support continuous improvements in decision-making efficiency and overall capabilities. Building on existing training and evaluation mechanisms, the Group plans to establish regular climate competency assessments to systematically evaluate the Board's and management's climate-related skill base and capability gaps and provide targeted guidance for subsequent capacity building based on the results.

Bosideng has integrated climate risk culture into enterprise-wide risk management, treating risk awareness and professional capability building as an important foundation for effective climate governance. Through training and learning across organizational levels and professional functions, the Group continues to strengthen employees' understanding and application of risk identification, assessment and response methods.

- Senior management uses the Group's annual conference to brief employees on industry trends, opportunities and challenges, while reinforcing risk management principles and the Group's risk culture;
- Professional training for Group and business-division finance heads covers systematic risk analysis, strengthening risk identification and prevention across finance functions;
- Internal Audit and other professional functions participate in external training such as Certified Internal Auditor (CIA) programs and ISO 31000 risk management system certification to strengthen professional and standardized risk management;
- The Group's learning platform offers courses including *Principles of Risk Management*, *Risk Management Modelling Practice* and *Introduction to Financial Risk Management*, as well as dedicated courses on market, credit and legal risks, supporting continuous risk capability development;
- Bosideng Business School has further developed a Group-level digital learning platform with an ESG-specific zone covering climate change and carbon management, circular economy and green products, ESG governance and compliance, supply chain responsibility, green retail, employee rights and EHS, further embedding climate and ESG capability building into Group-wide learning; In FY2025/26, the Group's ESG training programs recorded a total of 3,624 attendances, achieving a 54% pass rate.



■ Climate Governance Mechanisms

Bosideng continues to strengthen its climate governance mechanisms through multi-level, routine reporting, oversight and accountability, bringing climate-related risks and opportunities under ongoing Board and management oversight and further integrating climate factors into strategic planning, major decisions and daily operations. At the same time, climate target tracking, performance assessment and remuneration incentives reinforce management accountability and enable climate governance requirements to cascade effectively from decision-making to management and execution levels, strengthening implementation and closed-loop management.

Strengthening Climate Reporting and Oversight

The Group continues to strengthen mechanisms for the Board to access, review and oversee climate-related information, making climate a standing agenda item with at least one dedicated discussion annually. During the year, the Sustainability Steering Group advanced ESG work through regular and ad hoc meetings and reported ESG matters to the Board quarterly, enabling the Board to stay informed of important sustainability issues and management progress. The Board also continues to oversee climate and ESG matters by regularly reviewing sustainability reports, approving related policies and systems including those on climate change, and receiving and discussing Steering Group reports.

For climate risk management, the Sustainability Steering Group conducts an annual dedicated assessment with relevant departments to systematically identify climate risk types, assess potential impacts, review existing responses and areas for further improvement, and submit findings and management recommendations to the Board for review. The Chairman of the Board oversees implementation of the climate risk management plan, with particular focus on potential impacts on strategic planning, business operations and long-term development, guiding management in formulating and adjusting response measures.

Climate oversight is also integrated with the Group's overall risk management and internal control mechanisms. Every six months, the Board, through the Audit Committee, obtains and reviews the latest risk exposure updates from the Audit and Supervision Center and the Sustainability Steering Group,

including market fluctuations and supply chain management risks, and reviews the effectiveness and adequacy of internal control and risk management systems. For significant internal control deficiencies or potential risks identified, the Audit Committee drives implementation of improvement plans and submits remedial measures and optimization recommendations to the Board for review, forming a closed loop of ongoing oversight and improvement.

Based on the above reporting, risk assessments and oversight results, the Board may timely adjust management priorities or set and update ESG strategic goals based on its overall assessment. ESG implementation is included in the Board's annual review agenda, ensuring continued management attention to climate and other material sustainability issues and continuously improving governance effectiveness through regular review and feedback.

Integrating Climate Factors into Strategic Decision-Making

Bosideng continues to strengthen the link between climate governance and strategic decision-making, treating climate trends and sustainability requirements as key considerations. Based on the business characteristics of different value-chain stages, the Group identifies climate challenges and development opportunities at key points and translates climate risk and opportunity analysis into business improvement measures through green product development, certified raw material procurement, energy efficiency improvements and renewable energy use.

Climate-Related risks and opportunities are also incorporated

into decision-making through the Group's overall risk management process. Group-wide, strategic or major decisions are subject to centralized review and dedicated assessment; at the same time, risk identification, assessment, response and ongoing monitoring align mitigation measures with strategic and business objectives, reducing potential impacts on operations and long-term development.

During strategy implementation, the Group further integrates climate considerations into business planning, resource allocation and key project delivery, and dynamically reviews management measures and strategic priorities based on risk changes, target progress, and external policy and market developments. For climate issues that may materially affect long-term competitiveness, cost structure, supply chain resilience or market opportunities, management may accordingly adjust business priorities, resource commitments and implementation pathways, enabling climate risk management and green transition opportunities to more effectively support the Group's long-term strategy.

Enhancing Climate Performance Incentives

The Remuneration Committee determines remuneration for Directors and senior management based on company performance, individual performance and comparable market data. The Group links remuneration to ESG performance and assigns environmental responsibility to the Chairman of the Board and Chief Executive Officer, with a 5% climate action incentive in his remuneration, internally assessed against quantitative and qualitative indicators.

The climate action incentive covers short-term performance and long-term targets. Annual performance assessments continuously evaluate current climate action implementation.

The climate action performance incentives for the Chairman of the Board and President are tied to the achievement of the Group's revenue targets under various climate scenarios (e.g., normal, cold, and warm winters). Additionally, by evaluating the Group's profit growth rate relative to its revenue growth rate, these metrics reflect the CEO's performance in driving operational resilience, profitability, and efficiency in the face of climate challenges. Meanwhile, the incentive is linked to the 2030, 2035 and 2038 medium- and long-term targets to strengthen long-term oversight. Quantitative targets include 40% low-carbon fabric utilization by 2030, over 60% green electricity use in operations by 2035, and net-zero emissions and 100% green electricity use in operations by 2038.

Qualitative indicators cover climate transition measures and climate-friendly business models, with internal assessment based on market recognition, financial returns and other business outcomes to determine performance and whether incentive conditions are met. Climate-Related indicators also apply to other senior management, department managers and employees, with incentives including performance bonuses and promotion priority, cascading climate responsibility from management to execution.

Remuneration of the Chairman of the Board and Chief Executive Officer is directly linked to climate action performance.

5%

■ Policies and Systems for Addressing Climate Change

Bosideng continues to strengthen the institutional foundation for climate and environmental management, refining policies, procedures and implementation standards across green supply chain, environmental and energy management, ecological conservation and chemicals management, and further embedding low-carbon development, resource use, ecological conservation and environmental risk management requirements into its own operations and across the value chain. In FY2025/26, building on its existing system, the Group further strengthened supplier sustainability requirements, upgraded its waste management system and continued to update chemicals management documents, providing institutional support for climate action and green transition.

Dimensions	Policies
Ecological Protection 	- Waste Identification, Classification and Management Control Procedures - Waste Recovery and Recycling Assessment Control Procedures - Waste Disposal Management Regulations - Guidelines on Waste Disposal Methods - Performance Monitoring, Analysis and Evaluation Management Procedures - Biodiversity Conservation Policy
Environment and Energy Management 	- Environmental Management Policy - Energy Saving and Consumption Reduction Management Regulations - Environmental, Safety and Hygiene Operation Control Procedure
Green Supply Chain 	- Supply Chain Management Policy - Supplier Evaluation Standard - Supplier Code of Conduct for Sustainable Development - Supplier Manual - Responsible Sourcing Policy - Supplier Cooperation Manual
Chemical Management 	- Bosideng Restricted Chemical Substance List (RSL) - Chemicals Control Manual



03

Strategy

■ Our Business Model and Value Chain

Business Model

Guided by the vision of "leading sustainable fashion with a consumer-oriented approach", Bosideng aims to become a world-leading fashion-functional and technologically advanced apparel group. Its businesses include the R&D, raw material procurement, outsourced manufacturing, marketing and distribution of branded down apparel, OEM products, womenswear and other products. Branded down apparel is the Group's largest business segment, contributing more than 80% of total revenue. The Group follows its strategy of "focusing on its principal business and key brands", while expanding into fashion-functional and technologically advanced apparel. Its multi-brand portfolio, including Bosideng, Snow Flying and BINJORA, serves different consumer groups through differentiated positioning.

Down apparel demand is highly seasonal and weather-sensitive. Warm winters may reduce demand for heavier down apparel and shorten the peak selling season, while extreme cold may temporarily increase demand in some regions. Heavy rainfall, flooding and other extreme weather events may also disrupt store operations, warehousing and logistics, and affect employee health and safety. Growing consumer interest in product functionality, cross-seasonal suitability and sustainability further requires the Group to refine its product portfolio and market strategy.

The Group therefore incorporates climate considerations into its strategic and operational decision-making. It continues to strengthen three core mechanisms—"Flexible Financial Budgeting and Planning," "Resilient Supply Chain," and "Integrated Operation of Omnichannel Products". On the business side, the Group responds to changing temperatures and evolving consumer demand by optimising its product mix, expanding lightweight, functional and multi-season products, and increasing the use of low-carbon and environmentally friendly materials. On the operational side, it enhances supply chain flexibility through small-order, quick-response, smart warehousing, intelligent restocking and logistics scheduling, while continuing to improve emergency response and operational safeguards for extreme weather events. The Group also incorporates climate adaptability, resource efficiency and product life-cycle management into product R&D and design, and continues to advance material innovation, circular design and functional innovation.

Climate-Oriented Product Innovation

Low-Carbon Innovation



Application of recycled polyester, recycled nylon, bio-based nylon and natural-fibre fabrics; development of PA510 and PA11 bio-based nylon derived from plant-based feedstocks such as industrial corn and castor oil; and increased use of environmentally preferable materials such as SORONA® fabrics

Circular Design



Launch of 100% bio-based mono-material fabrics, including BOSIDENG®100Biolon and BOSIDENG®Pure, alongside the continued development of Circular 3.0 and other circular-design products, using mono-material, disassemblable and recyclable designs to improve the feasibility of material recovery and recycling

Functional Innovation



Launch of the upgraded "Metamorphosis" 3-in-1 windbreaker down product, with a modular "one jacket, three ways to wear" design suitable for 0-20° C; continued development of lightweight down apparel, functional outerwear and sun-protection clothing for different regions, climates and seasons



Value Chain

The Group's value chain covers product R&D, raw material procurement, product manufacturing, logistics and transportation, product delivery, and after-sales services. In its climate risk and opportunity assessment, the Group considers climate-related impacts across each stage of the value chain and uses the findings to inform product planning, supply chain management, operations and resource allocation.

Sections of Value Chain	Content of Sections	Key Climate Impacts
Product R&D 	The Group maintains long-term investment in R&D and has established the Product Innovation Institute to expand product categories, applies new materials and achieves breakthroughs in core patented technologies.	Warm winters and temperature volatility may alter demand for heavy, lightweight and trans-seasonal products. The Group develops lightweight down apparel, functional outerwear, sun-protection clothing and modular products to improve adaptability across temperatures and use scenarios.
Raw Material Procurement 	The Group is committed to building a green and transparent responsible supply chain. It gives priority to sustainably certified raw materials, strengthens chemicals management, and safeguards animal welfare and raw material traceability.	Extreme weather, water shortages and ecosystem change may affect the availability, price and quality of down, fabrics and other materials. The Group prioritises certified down and environmentally friendly materials, strengthens suppliers' environmental management and diversifies procurement sources.
Product Manufacturing 	The Group continues to deepen digital and intelligent manufacturing, implementing three-level quality control system covering raw material inspection upon entry, in-process sampling, and full inspection of finished products to ensure zero defect quality.	Carbon costs, carbon-related policies and extreme weather may increase production costs and affect business continuity. The Group mitigates these impacts by continuously advancing energy efficiency improvement, intelligent manufacturing, supplier energy management and the application of low-carbon processes.
Logistics & Transportation 	The Group uses digital technologies to optimise logistics and delivery, applies RFID technology to support end-to-end product traceability, and works with partners to advance green logistics to effectively reduce carbon emissions.	Heavy rainfall, flooding and extreme temperatures may damage warehouses or delay transportation. The Group actively builds an intelligent logistics system, enhancing logistics resilience through intelligent dispatching, route optimization and regional inventory coordination.
Product Delivery 	The Group is building omni-channel sustainable consumption scenarios and encouraging green consumer engagement.	Regional climate differences and abnormal weather may result in forecasting errors and inventory mismatches. By deepening its Integrated Operation of Omnichannel Products mechanism, the Group analyzes sales and inventory data to implement differentiated merchandise allocation and cross-regional redeployment, effectively resolving supply-demand mismatches.
After Sales Service 	The Group continues to improve customer feedback and complaint-handling mechanisms and provides product repair and care services to extend product life.	Care practices and product lifespan affect resource consumption during the use phase. Guided by life cycle management principles, the Group offers consumers professional care, repair and renewal services to extend product lifespan.

■ Climate Resilience

As a leading enterprise in the apparel and textile industry, we remain committed to our "dual-focus" strategy of "concentrating on the main sector of down jackets and the core track of fashion-functional and technologically advanced apparel." Recent winters have been generally warmer, while episodic cold snaps, temperature swings and regional climate differences have been notable; ocean-atmosphere anomalies such as El Niño may further affect winter temperatures and precipitation patterns, creating uncertainty for the sales rhythm, product mix and inventory management of thermal apparel. For the down apparel industry, this may shorten the stable sales window for heavily insulated products and drive consumer demand toward lighter, multi-scenario and regionally differentiated offerings, while placing higher demands on product planning, launch timing, regional stocking, rapid reordering and cross-regional redeployment, making inventory turnover and retail sales management more challenging.

Given that climate factors may exert sustained and complex impacts on product demand, business operations and supply chain management, the Group has integrated climate-related risks and opportunities into its strategic planning and business decision-making, and established corresponding management and response mechanisms. In view of the strong seasonality and high climate dependence of the down apparel industry, the Group relies on three core models—"Flexible Financial Budgeting and Planning", "Resilient Supply Chain" and "Integrated Operation of Omnichannel Products"—to continuously improve its responsiveness and adaptability to climate change and demand fluctuations. Based on a comprehensive assessment, the Group's existing business model and related management mechanisms can fully support its response to the major risks and uncertainties arising from climate change in the foreseeable future; the Group therefore possesses strong overall climate resilience that underpins the sustained and stable development of its business.

Flexible Financial Budgeting and Planning

Financial budgeting and planning support resource coordination and financial prudence. As winter temperatures may affect product demand, production schedules and inventory turnover, the Group develops budgets and resource allocation plans for different climate scenarios to enhance the adaptability of its business plans to climate uncertainty.

Based on the deviation of average winter temperatures from the historical long-term average, the Group classifies winter climate scenarios into three categories: Normal Winter, Cold Winter and Warm Winter. A Normal Winter has an average temperature within $\pm 0.5^{\circ}\text{C}$ of the historical long-term average. A Cold Winter is at least 0.5°C below that average, while a Warm Winter is at least 0.5°C above it.

Normal Winter

Follows a prudent growth strategy, balancing investment in product R&D, fabric innovation, channel optimisation and production equipment upgrades, while maintaining appropriate cash reserves and capital expenditure.



Cold Winter

Prioritises inventory and production funding for thermal products; increases resources for production, logistics and raw materials; and sets aside funding for higher logistics costs and raw material price volatility. The Group also strengthens its ability to secure raw materials and production capacity during peak seasons through relatively stable cooperation arrangements with upstream partners, and improves its responsiveness to demand growth by leveraging small-order quick response, demand-pull replenishment and the Integrated Operation of Omnichannel Products mechanism.



Warm Winter

Prudently controls inventory and production, avoids excessive investment in heavier winter apparel, and allocates more resources to lightweight, trans-seasonal and spring/autumn products. Product mix, launches and sales plans are adjusted in response to market feedback, thereby reducing the inventory pressure that climate uncertainty may bring.



Resilient Supply Chain

Down apparel production is complex, some raw materials have long lead times, and demand is concentrated in winter. These characteristics increase the sensitivity of demand forecasting and inventory management to weather changes. Under the traditional "large pre-order model", significant orders and production arrangements are made before the selling season. As production processes such as down filling and quilting are complex, and down raw materials are procured on a futures basis, any mismatch between actual temperatures, the timing of cold snaps or regional demand and forecasts may give rise to operational risks such as inventory build-up, discounted sales and inventory impairment.

To mitigate these potential risks, The Group adopts a combined "futures + spot" approach and caps initial winter futures orders at 40%. Through Resilient Supply Chain, small-order, quick-response manufacturing, demand-pull replenishment and "Sales-Driven Production", point-of-sale data is fed back to production, warehousing and supply chain teams. Built on small-lot orders, this mechanism enables timely adjustment of production arrangements when demand changes, fostering close alignment between production plans and actual sales performance.

The Group strengthens digital coordination across production and supply chain operations. Its "Intelligent Warehousing and IoT-based Resilient Supply Chain Solution for Apparel" supports rapid order response and intelligent restocking, while upgraded data analytics, digital management of the full merchandise life cycle and data sharing improve coordination efficiency across supply, inventory and sales. In addition, the Group's self-developed GiMS intelligent manufacturing platform deeply integrates upstream and downstream resources, enabling end-to-end digital collaboration across "R&D, production, supply, sales and services". This not only made Bosideng the only apparel company selected for inclusion in the Typical Cases of Digital Transformation released by China's Ministry of Industry and Information Technology, but also, despite the warm winter challenges in FY2025/26, enabled the Group to hold inventory turnover days at 117, down 1 day from the previous fiscal year. During the reporting period, the resilient supply chain solution shortened production and delivery lead times to 7-14 days, increased peak-season replenishment frequency to more than 8 times, improved inventory turnover efficiency by 16%, and increased warehouse utilisation by 18%, strengthening the Group's ability to adjust production and replenishment when demand shifts across regions.

Indicator

	FY2025/26	FY2024/25
Inventory Turnover Days	117 / 173 Industry average	118 / 135 Industry average
Brand Down Jacket Revenue Growth Rate	8.7%	11.0%

Note: The aforementioned industry average data is derived from the Wind database, with the peer sample encompassing A-share and Hong Kong-listed companies alongside top global peers.



Integrated Operation of Omnichannel Products

In 2025, domestic sales in China's textile and apparel industry grew moderately, but structural divergence in offline channels intensified. According to the China National Textile and Apparel Council, retail sales of garments, footwear, headwear and knitwear by enterprises above the designated size exceeded RMB1.5 trillion nationwide, up 3.2% year on year, while online retail sales of apparel rose 1.9%. Indicators for production, domestic sales and investment all improved, but exports came under pressure and corporate earnings declined, leaving the industry operating under strain.

Channel performance diverged more sharply. Apparel retail sales at major national retailers, mainly department stores, fell 1.7% year on year, while sales volume declined 5%. Average apparel selling prices, however, increased by 3.5%, reflecting lower volumes but higher prices. Outlets, by contrast, showed strong counter-cyclical resilience: according to the China General Chamber of Commerce, outlet sales and customer traffic grew by an average of 12.4% and 15.6% respectively in 2025. On the demand side, spending showed a "K-shaped divergence", migrating toward both the premium-value and mass-market quality ends: premium customers place greater weight on scarcity, exclusive services and cultural cachet, while mass-market customers expect visible craftsmanship and value for money within their price bands, leaving traditional mid-range consumption under clear pressure. A uniform merchandise-channel structure can no longer effectively serve both groups—premium experiential stores need flagship imagery and exclusive editions to sustain brand premiums, while value-oriented stores need a higher share of basics and fast-turning merchandise. Any mismatch means missed sales in premium channels and inventory build-up in mass-market ones.

In response, the Group continued to improve channel quality and omnichannel integrated merchandise operations in FY2025/26. It advanced channel classification and merchandise tiering in parallel, matching the right products with the right channels. The Group expanded high-potential stores and secured premium retail projects nationwide, creating distinctive stores that express the Bosideng brand. It also expanded large-format brand image stores, strengthened and extended its Top Store system, refined channel classification standards and developed a cluster-based store management model. Based on different customer needs, the Group adopts tailored "One Store, One Design" and "One Store, One Strategy" approaches to better communicate its brand story. It has also established refined operating models for different store formats, based on customer segmentation, to improve profitability and operating efficiency.

The Group maintains separate ordering systems for directly operated and wholesale channels. Directly operated stores place orders at store level, matching products to local demand, and dynamically adjust orders through demand-pull ordering and production based on sales performance. Distributors adopt different ordering models and rebate arrangements according to their scale. The Group also aligns product tiers with channel tiers, allocating premium product lines to high-end channels, including high-potential stores and large-format brand image stores, while tailoring differentiated assortments to store locations and customer profiles to respond to "K-shaped" demand.

This operating strategy also supports the Group's climate resilience. China's regions differ in the timing of winter, winter temperatures, abnormal weather patterns and consumer preferences, while climate volatility may shift product demand between regions. To reduce regional supply-

demand mismatches arising from a uniform product mix and sales rhythm, the Group draws on its resilient supply chain to optimise product allocation according to local climate conditions, sales performance and consumer preferences. This improves the alignment between product supply and regional demand and strengthens stores' ability to adapt to climate and market changes.

With these mechanisms in place, when an early winter or cold wave increases demand for warmth in a particular region, the Group can use real-time sales and inventory data to increase the supply of down apparel and other thermal products. It can also transfer products from relatively low-demand regions to higher-demand areas. During warm or shorter winters, or periods of above-average temperatures, the Group can optimise its product mix by increasing the allocation of lightweight down apparel, functional outerwear, sun-protective clothing and other products suited to warmer conditions. By linking regional climate developments with consumer demand and sales performance, the Group improves allocation flexibility and reduces the risks of excess inventory and stock shortages arising from climate uncertainty.

To support rapid allocation, the Group integrates online and offline sales, inventory and order information. Supported by the ICC (Inventory Calculation Center), OPC (Order Processing Center) and RFID technology, it collects and coordinates supply, inventory and sales data in real time. Using the "proximity principle" for product and customer locations, the ICC and OPC generate operational instructions for warehouses, O2O stores and courier companies, supporting order fulfilment, cross-regional inventory transfers and rapid delivery. RFID technology covers production, distribution and retail, improving the timeliness and accuracy of product data collection.

At the production side, the Group supports faster turnover and greater efficiency through demand-pull replenishment, rapid new product launches and small-order quick-response. In warehousing and logistics, it uses smart distribution centers and a unified inventory management to provide unified supply, returns warehousing, sorting and putaway services for directly operated stores, distributor stores and online channels nationwide, including traditional e-commerce platforms, Douyin, WeChat Mall, WeChat Channels and O2O. Based on market sales performance, the Group configures warehouse locations and inventory, strengthens the pre-positioning of top-selling products and continues to improve replenishment availability. Through its omnichannel platform, the Group has connected inventory information across 8 major regional warehouses for directly operated stores and 12 satellite warehouses for distributors and more than 3,000 stores nationwide. It continues to strengthen rapid replenishment through advance management of best-selling products and cross-regional inventory coordination.

- These mechanisms, spanning channel-product matching and supply chain and logistics coordination, support the Group's long-standing operating principle: **"Keep bestsellers in stock; do not produce slow-moving products."** In FY2025/26, the replenishment availability rate reached 99%, and lightweight down apparel accounted for 15%-20% of sales. As of 31 March 2026, inventory turnover stood at 117 days, and the Group maintained a healthy inventory level despite warm winters and other adverse weather conditions. These results demonstrate that Bosideng is embedding climate adaptability into daily operations and merchandise management, improving merchandise turnover and operating efficiency while strengthening the climate resilience of its supply chain and retail network.

Climate Scenario Analysis

Climate scenario analysis is a forward-looking assessment approach that simulates future pathways under different socioeconomic development and energy use scenarios, helping companies identify potential climate risks and opportunities. Serving as a scientific basis for the Group's strategic decision-making, this analytical method is used to develop effective response strategies, thereby enhancing Bosideng's climate adaptability and strategic resilience. Based on a prudent assessment of its business characteristics, value chain footprint and industry best practices, the Group enhanced and refined the climate scenarios adopted for its climate scenario analysis during the Year.

Physical Risk

For the assessment of physical risks, the Group has, from the Year onwards, adopted the Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs) scenario combinations established under the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) as baseline scenarios.

SSP1-2.6

Under this scenario, the world follows a sustainable development pathway characterized by increased investment in education and healthcare, reduced inequality, a rapid transition towards low-carbon technologies and proactive land-use management. Radiative forcing stabilizes at 2.6 W/m² by 2100, with the global average temperature projected to increase by approximately 1.8° C (likely range: 1.3-2.4° C) by the end of the century. Under this pathway, overall societal adaptive capacity is relatively strong, and exposure to physical risks remains comparatively manageable.

SSP5-8.5

Under this scenario, the global economy remains heavily dependent on fossil fuels to support rapid economic growth, with high-carbon energy technologies continuing to dominate, relatively weak international cooperation and significant adaptation challenges. Radiative forcing reaches 8.5 W/m² by the year of 2100, with the global average temperature projected to increase by approximately 4.4° C (likely range: 3.3-5.7° C) by the end of the century. Under this pathway, extreme weather events become increasingly frequent, ecosystem degradation intensifies, and societal adaptive capacity is constrained by insufficient resource investment, resulting in potentially significant amplification of actual disaster losses.

Identification, Assessment, and Prioritization of Physical Risks

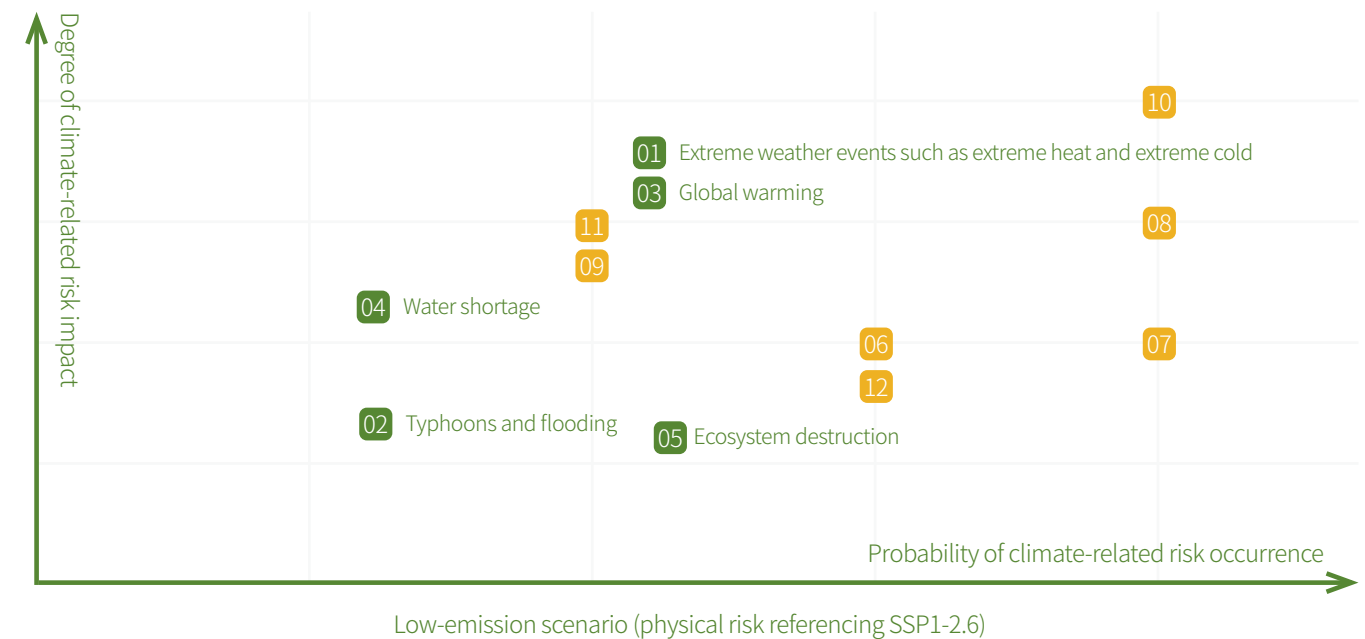
Physical risk

- 01 Extreme weather events such as extreme heat and extreme cold
- 02 Typhoons and flooding
- 03 Global warming
- 04 Water shortage
- 05 Ecosystem destruction

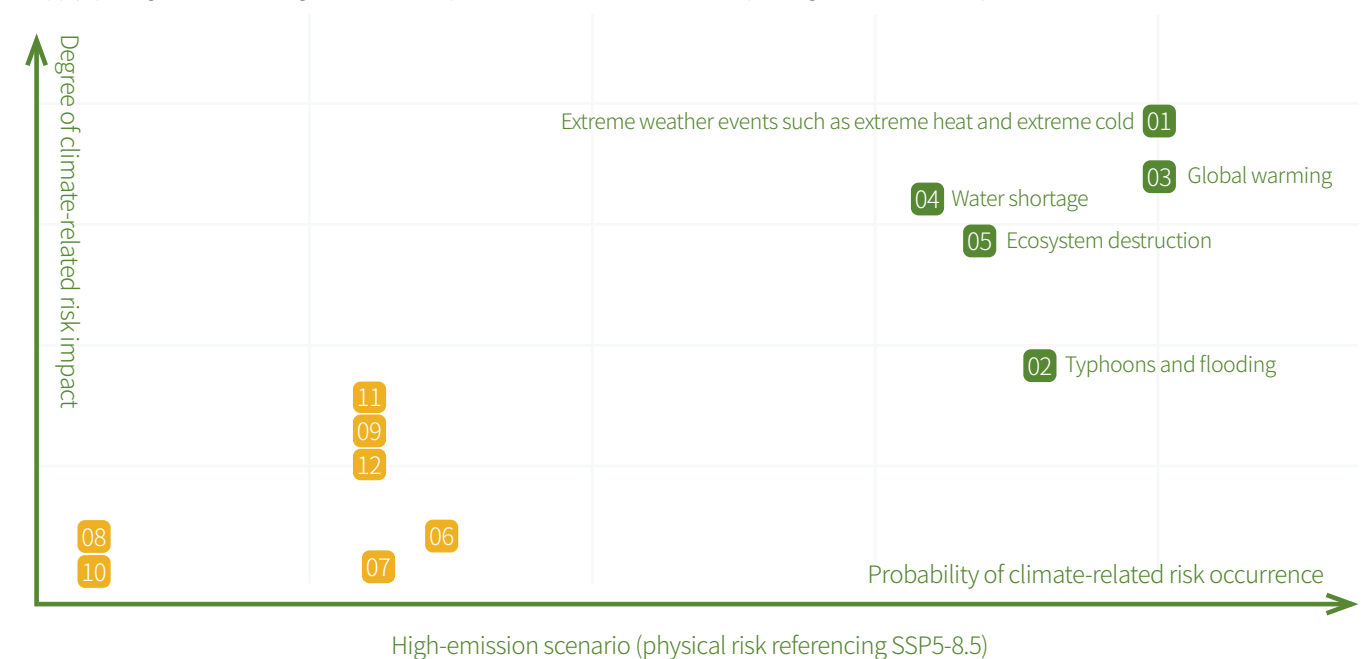
Transition risk

- 06 Stricter regulation
- 07 Higher information disclosure requirements
- 08 Rising carbon costs
- 09 Difficulty in development of green technologies
- 10 Transition to low emissions
- 11 Shifting consumer preferences
- 12 High public expectations for corporate social responsibility

Under the SSP1-2.6 climate scenario, in which global warming is limited to a relatively low level, the physical climate risks faced by Bosideng are overall moderate, with the likelihood and impact of acute risks such as extreme heat and pluvial flooding remaining comparatively moderate. Meanwhile, through the pursuit of sustainable development pathways-including advancing the Sustainable Development Goals, inclusive governance and international cooperation-enhanced protection and sustainable management of natural resources are strengthened, leading to a concurrent decline in the probability of nature-related ecological risks.



Under the SSP5-8.5 climate scenario, where global demand for fossil fuels continues to grow and greenhouse gas emissions keep rising, the physical climate risks faced by Bosideng are significantly amplified. Risks with high probabilities of occurrence and high levels of impact-including extreme heat, pluvial flooding, extreme precipitation, water shortages and ecosystem degradation-will span the Group's short-, medium- and long-term time horizons. Such a scenario may lead to increased disaster frequency at Bosideng's production facilities and constraints in raw material supply, posing serious challenges to the stability of the value chain and the Group's long-term sustainability.



Physical Risk Analysis

Risk Classification	Climate Risk	Climate Scenario	Likelihood	Magnitude of Impact	Time Horizon
Acute Physical Risk	Extreme weather events such as extreme heat and extreme cold	SSP1-2.6	Above-average	High	S M L
		SSP5-8.5	High	High	S M L
	Typhoons and flooding	SSP1-2.6	Average	Average	S M L
		SSP5-8.5	High	Average	S M L
Chronic Physical Risk	Global warming	SSP1-2.6	Above-average	High	L
		SSP5-8.5	High	High	L
	Water shortage	SSP1-2.6	Average	Above-average	L
		SSP5-8.5	High	High	L
	Ecosystem destruction	SSP1-2.6	Above-average	Average	L
		SSP5-8.5	High	Above-average	L

S

 Short Term

M

 Medium Term

L

 Long Term

Analysis of Potential Physical Risk Losses

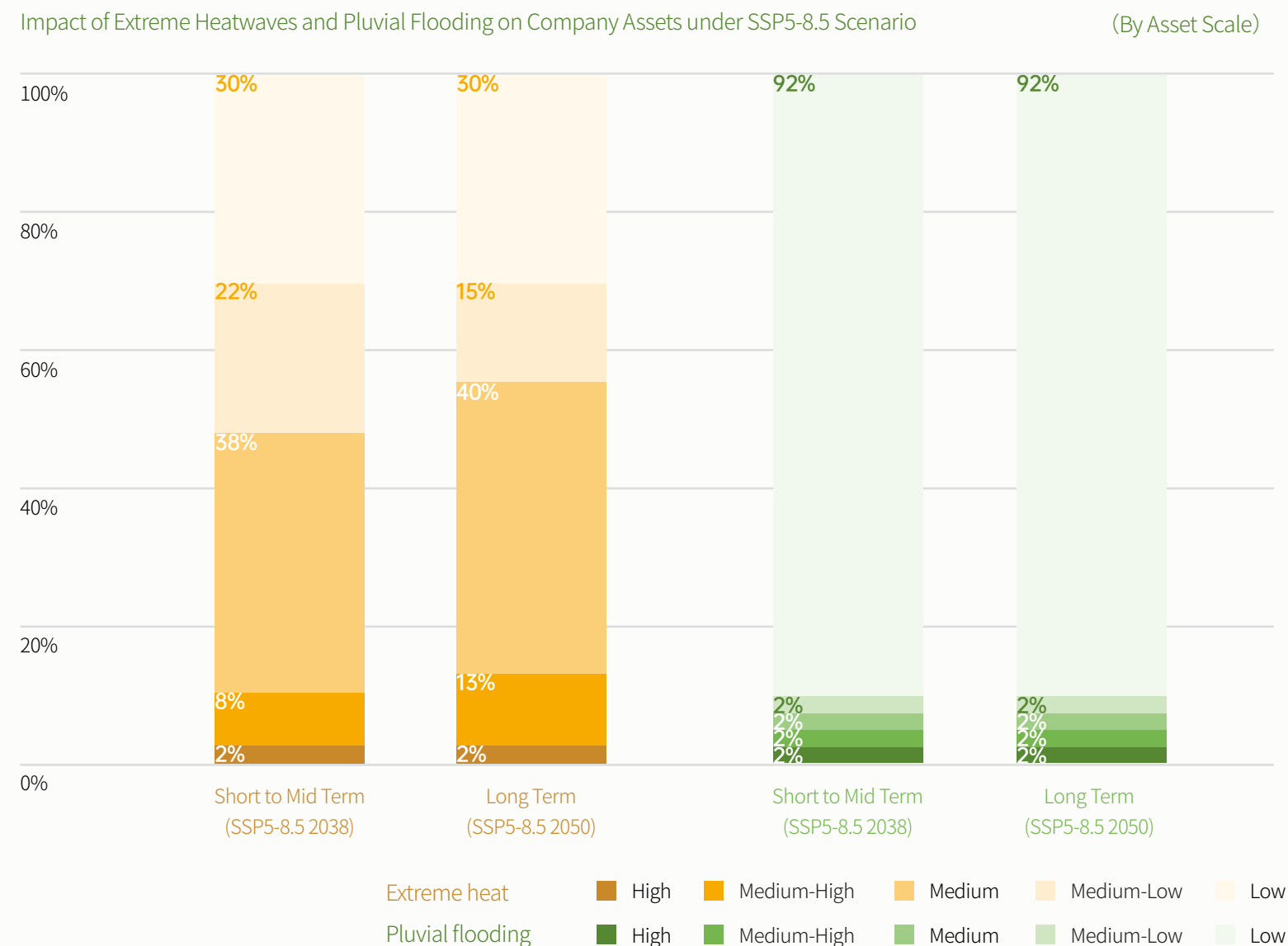
In FY2025/26, we conducted an on-demand physical climate risk assessment using the MSCI Climate Physical Risk Model to assess the exposure of corporate assets to climate-related physical hazards at precise asset locations and their potential financial impacts. The physical risk exposure analysis covered 40 Bosideng assets across 26 cities worldwide, including office buildings, logistics parks, warehouses and retail stores. The assessment evaluated the inherent physical risks at each asset location and generated a physical risk exposure heatmap illustrating asset exposure to different physical hazards.

Based on the outputs generated by the MSCI Climate Physical Risk Model, extreme heat and pluvial flooding were identified as the two climate risks of the highest financial materiality to Bosideng. To fully evaluate the potential impacts of climate change on the Company's financial position and business results, Bosideng conducted further climate scenario analysis focused on these two physical risks: extreme heat and pluvial flooding. Extreme heat can directly increase days of business interruption in store operations, warehousing and logistics, resulting in revenue losses and higher operating costs; pluvial flooding, on the other hand, may cause direct physical damage to physical assets such as store buildings, equipment and inventory, leading to asset impairment and increased repair costs.

Physical Risk Type	Extreme heat	Pluvial flooding
Main Model Factors	Business Interruption Annual Average Loss (BIAAL), Percentile score	Asset Damage Annual Average Loss (ADALL), Percentile score

Extreme heat is the single hazard contributing most to losses in Bosideng's portfolio. By 2050 under SSP5-8.5, the heat business-interruption distribution shifts up—more assets move into the medium and medium-high bands. In both 2038 and 2050, approximately 2% of assets fall into the High band, all of which are retail stores; within retail stores, High-band assets account for approximately 3%. Meanwhile, transport & warehousing and office assets also face medium-band exposure. Geographically, heat risk is broad across the portfolio, heaviest in central & southern China—Shenzhen, Nanchang, Changsha, and Wuhan.

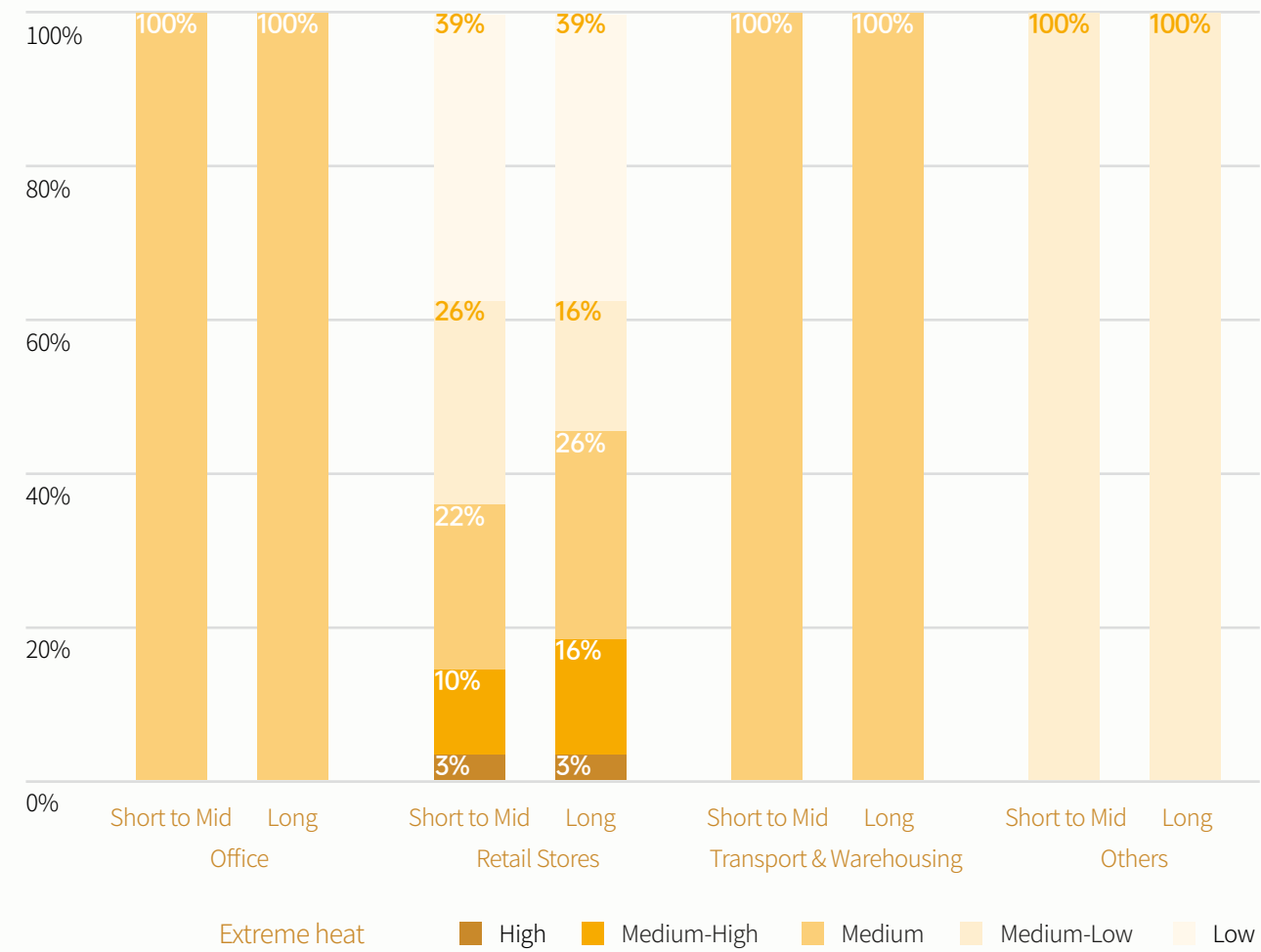
In contrast to the broad distribution of extreme heat risk, pluvial flood damage is concentrated in a handful of sites. Under SSP5-8.5, the picture barely changes from 2038 to 2050—High-band assets account for approximately 2%, and the assets above the Low band are all retail stores. Within retail stores, High, Medium-High, and Medium-band assets each account for approximately 3%, while 90% of retail stores sit in the Low band. Offices, warehousing and other uses are 100% Low in both 2038 and 2050. Overall, pluvial flood asset-damage risk is therefore highly concentrated, with a small retail tail carrying almost all the modelled asset damage, while exposure among other asset types remains limited—it is a site-specific tail, not a retail-wide exposure. Geographically, highest-risk sites are concentrated in eastern and central China and along the southern coast—Jinan, Shenzhen, Jiaxing, and Chongqing.



*Bands (heat business-interruption AAL): High $\geq 2.0\%$, Med-High $\geq 1.5\%$, Med $\geq 1.0\%$, Med-Low $\geq 0.5\%$, Low $< 0.5\%$. n=40 assets.

*Bands (asset-damage AAL): High $\geq 1.0\%$, Med-High $\geq 0.5\%$, Med $\geq 0.2\%$, Med-Low $\geq 0.05\%$, Low $< 0.05\%$. n=40 assets.

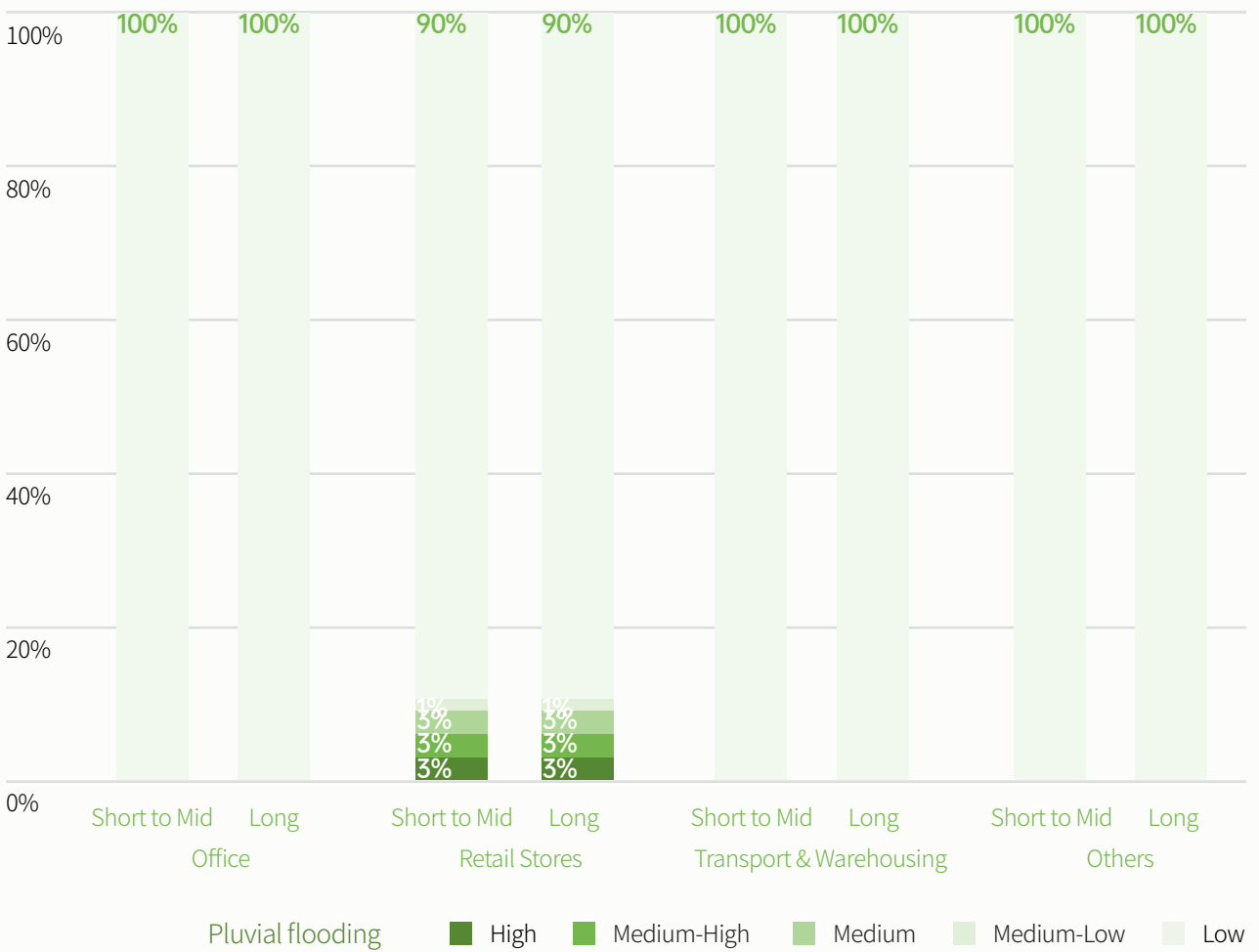
Impact of Extreme Heatwaves and Pluvial Flooding on Company Assets under SSP5-8.5 Scenario



*Bands (heat business-interruption AAL):

High $\geq 2.0\%$, Med-High $\geq 1.5\%$, Med $\geq 1.0\%$, Med-Low $\geq 0.5\%$, Low $< 0.5\%$. n=40 assets, Groups: Office n=6, Retail Stores n=31, Transport & Warehousing n=2, Others n=1. Short to Mid = 2038, Long = 2050.

(By Asset Type)



*Bands (asset-damage AAL):

High $\geq 1.0\%$, Med-High $\geq 0.5\%$, Med $\geq 0.2\%$, Med-Low $\geq 0.05\%$, Low $< 0.05\%$. n=40 assets, Groups: Office n=6, Retail Stores n=31, Transport & Warehousing n=2, Others n=1. Short to Mid = 2038, Long = 2050.

Bosideng Extreme Heat Risk Matrix

Annual average loss (AAL, %) from business interruption caused by extreme heat for Bosideng assets across provinces, under different climate scenarios and time horizons – grouped by province, with darker colours indicating higher risk levels

MSCI GeoSpatial Asset Intelligence

September 2026 · Data source: asset-level physical risk assessment



*n indicates the number of assets included in the calculation

High (≥2.0%) Medium-High (1.0%-2.0%) Medium (0.5%-1.0%) Medium-Low (0.25%-0.5%) Low (< 0.25%)

Physical Risk Impacts and Response Measures

Risk Classification	Impact on Value Chain						Impact on Business, Strategy and Finance	Mitigation Measures
	Product R&D	Raw Material Procurement	Product Manufacturing	Logistics Transportation	Product Delivery	After Sales Service		
Acute Risks	Extreme weather events such as extreme heat and extreme cold							
							- Consumer purchase demand changes due to the extreme weather, thereby reducing the accuracy of sales forecasts; - Extreme weather not only interferes with the supply of raw materials, such as down, but also disrupts production and sales cycles, resulting in higher requirements on the supply chain and inventory management; - Extreme weather may drive up Bosideng's costs in the areas of raw materials procurement, warehousing, logistics and transportation, thereby increasing operating risks;	- 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 production areas, and manage fluctuations in raw materials prices by, among other things, launching diversified purchasing; - Enhance agile supply chain responsiveness to ensure rapid replenishment and product launches during extreme weather events, meeting dynamic demand for climate-appropriate down apparel; - Enhance the climate resilience of office and operation areas: incorporate climate risk assessments into the site selection stage, prioritising locations in climatically stable areas; invest in energy-efficient and reliable temperature control systems; and install energy storage and power backup systems to prevent the risk of power outages;
							- Extremely cold weather triggers the closure of roads and ports, leading to logistics disruptions that impede the supply of raw materials and the distribution of products; Bosideng's stores in northern China face significant exposure to extreme cold. Although the overall risk is expected to ease over the long term as the climate warms, core stores in the northern region remain subject to relatively high exposure. - Employee health and safety are exposed to extreme weather threats, which may undermine workforce productivity and efficiency, and increase labor-related costs.	- Formulate an emergency response plan, strengthen employee health and safety systems and training, and implement emergency drills, employee protection measures and welfare subsidies; - Purchase insurance to manage the potential financial losses caused by extreme weather.
	Typhoons and flooding							
							- The occurrence of water pollution and freshwater shortage results in insufficient water supply for textile production, ultimately disrupting upstream supply chains and increasing water-related expenditures; - Disruptions of transportation routes affect the normal production and distribution of products;	- Reinforce the structural strength of buildings in areas prone to typhoons and floods, and install weatherproof windows and other waterproofing equipment; - Establish a more scientific warehousing and distribution network to reduce the impact of typhoons and floods on warehousing logistics;
							- Typhoons and floods may cause damage to office premises, operating sites and equipment, resulting in the loss of assets and inventory, and reduced operational capabilities; - With health and safety of employees threatened, operational efficiency is reduced and labor costs are increased.	- Develop emergency plans, provide emergency facilities and training for employees, and install water storage facilities; - Maintain insurance coverage to avoid potential financial losses.

Risk Classification	Impact on Value Chain						Impact on Business, Strategy and Finance	Mitigation Measures
	Product R&D	Raw Material Procurement	Product Manufacturing	Logistics Transportation	Product Delivery	After Sales Service		
Chronic Risks	Global warming							
							Global climate change may lead to fluctuations in winter temperatures and changes in the duration of cold weather, which will affect consumers' demand structure for down apparel, and pose higher requirements for product sales rhythm, inventory management and supply chain operations.	- Product innovation and category expansion: the Group continuously enriches the product matrix and actively develops functional products suitable for a wider range of scenarios, such as ultralight down apparel and sun-protective clothing, to further meet consumers' diversified needs, extend the sales cycle of products, enhance the coverage capability in different regions and seasons, and contribute to the growth of the Group's operating results; - Flexible supply chain building: the Group continuously enhances the capability for smallbatch quick response and flexible supply chain. Based on climate conditions, market demand and sales data, it dynamically optimizes production plans and product structure, improves inventory turnover efficiency and market response capability, and enhances the resilience of the supply chain to cope with climate change.
	Water shortage							
							- Raw materials for down come from geese and ducks, and their breeding process is highly dependent on sufficient and clean water resources. Water shortage will directly threaten the security of down supply and push up raw material costs; - Water shortage will lead to increased operating costs and exert an adverse impact on the stability of the supply chain and overall operations; - Water shortage is currently the chronic climate risk to which Bosideng has the highest exposure. Rather than being concentrated in a small number of assets, this risk extends broadly across the entire asset portfolio and is expected to have sustained material impacts over the short, medium and long term.	- Integrate water resource management into the Group's management policy, establishing clear water conservation targets and management protocols to institutionalize sustainable water practices; - Expand the diversity of suppliers and raw material sources to mitigate the impact of water shortages on the stability of the supply chain; - Collaborate with upstream raw material suppliers to jointly find innovative solutions, such as utilizing new processes or innovative breeding technologies to reduce the consumption of water resources in the production of raw materials and products.
	Ecosystem destruction							
							Ecosystem destruction poses a dual challenge to the supply of raw materials. On one hand, the breeding of animal-based raw materials and the cultivation of plant-based raw materials will face higher risks from pests and diseases; on the other hand, species invasions and the reduction of natural enemies of pests make pest control and prevention increasingly difficult, thereby increasing the instability of Bosideng's supply chain.	- Prioritize the selection of certified raw materials to effectively mitigate the adverse impact of natural materials on the ecosystem during the production process; - Utilize eco-conscious materials such as recycled nylon and recycled polyester, and plan to progressively increase the adoption rate of such fabrics to mitigate of supply chain volatility caused by fluctuations in plant-based raw materials.

Impact on value chain segments

High level of impact

Medium level of impact

Low level of impact

Related potential financial implications

High level of impact

Medium level of impact

Low level of impact

Transition Risk

In the transition risk assessment, Bosideng selected the International Energy Agency's "Net Zero Emissions by 2050 scenario" (NZE 2050) and "Stated Policies Scenario" (IEA STEPS) as the benchmark analysis framework.

NZE 2050

Under this scenario, the global energy sector achieves net-zero carbon dioxide emissions by 2050, limiting global warming to within 1.5° C.

IEA STEPS

Under this scenario, countries are grounded in policies already implemented or explicitly announced, reflecting the most likely development direction of the energy system under current trends.

Identification, Assessment, and Prioritization of Transition Risks

Physical risk

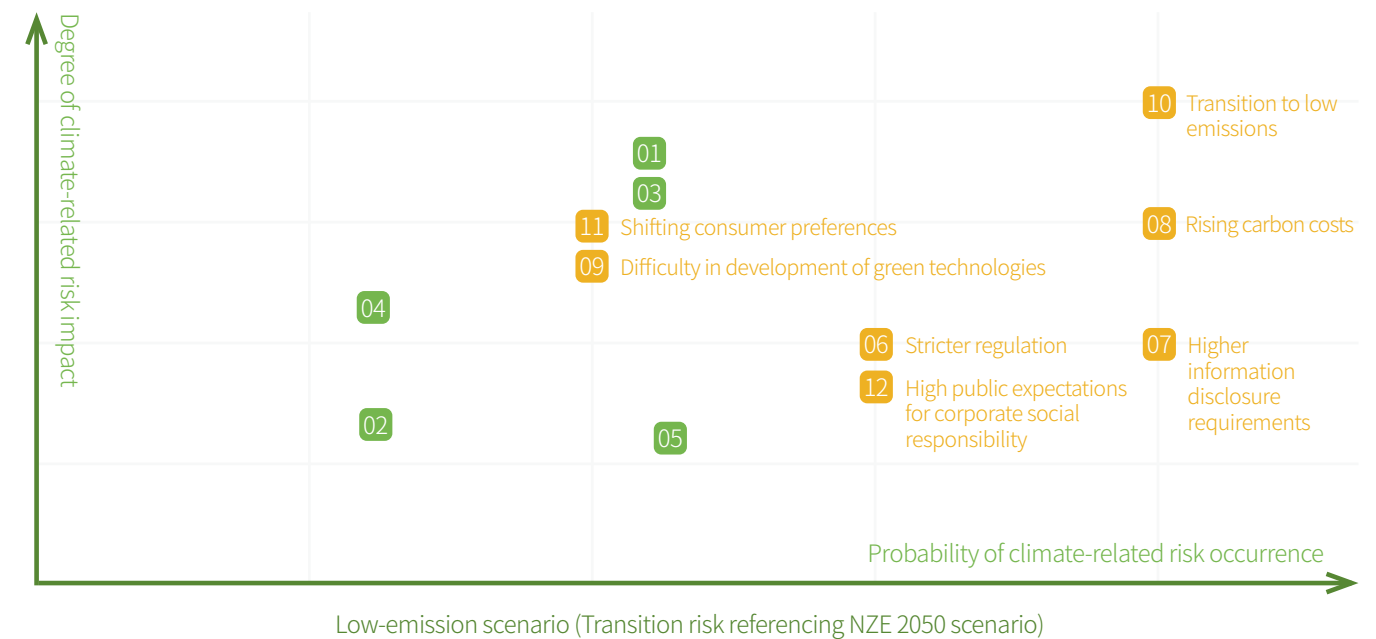
- 01 Extreme weather events such as extreme heat and extreme cold
- 02 Typhoons and flooding
- 03 Global warming
- 04 Water shortage
- 05 Ecosystem destruction

Transition risk

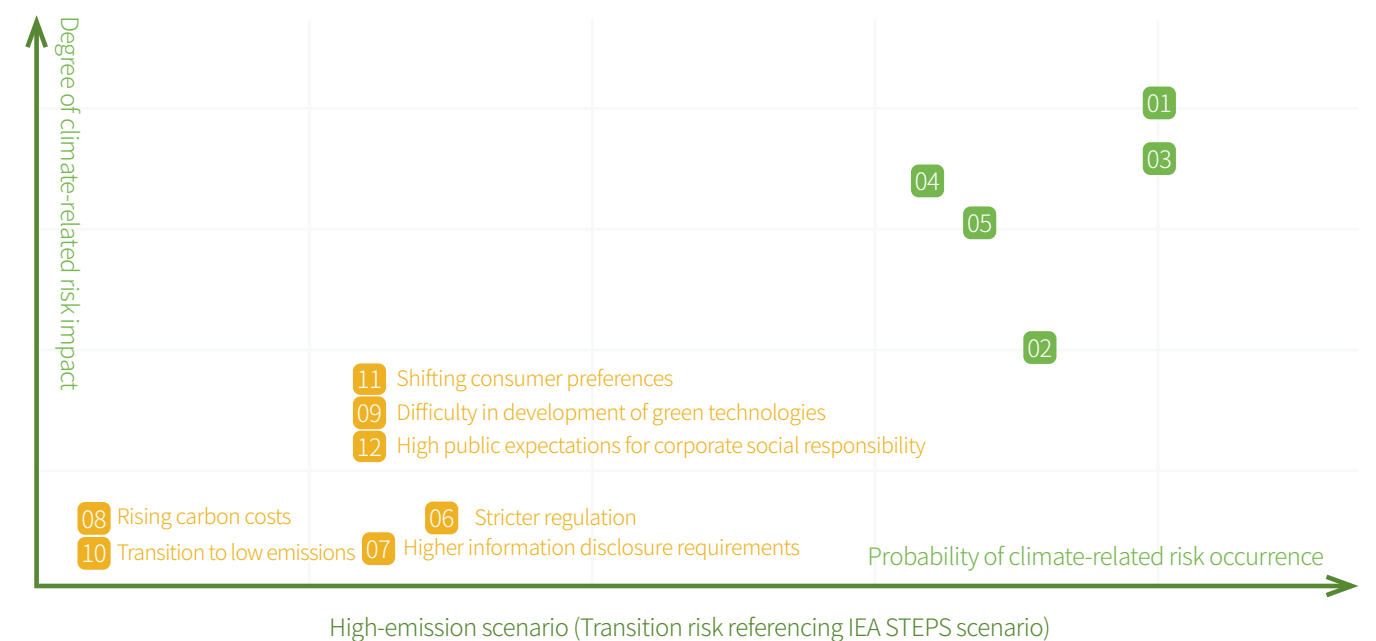
- 06 Stricter regulation
- 07 Higher information disclosure requirements
- 08 Rising carbon costs
- 09 Difficulty in development of green technologies
- 10 Transition to low emissions
- 11 Shifting consumer preferences
- 12 High public expectations for corporate social responsibility



Under the NZE 2050 scenario, global energy-related CO₂ emissions are required to reach net zero by 2050. In this scenario, governments around the world are expected to intensively introduce stringent and binding policies, such as carbon pricing, energy efficiency standards and mandatory information disclosure. Coupled with the accelerating rise of green technology thresholds and rapidly evolving consumer preferences for low-carbon products, Bosideng may face significant adjustments to its business model over the medium-to-long term. High-frequency information disclosure, low-emission transition and investment in green R&D will become core challenges, exerting substantial impacts on the Company's compliance costs, technology pathways and brand reputation.



Under the IEA STEPS (Stated Policies Scenario), where global climate policy is based on measures that have already been implemented or announced, the decarbonization pathway progresses relatively slowly, and the transition risks faced by Bosideng are generally low to moderate. Risks related to strict regulation, information disclosure, technological barriers, market changes and reputational concerns are generally manageable in both likelihood and impact. In this scenario, while the Company still needs to address a certain degree of policy pressure and social responsibility expectations, the overall pace of transition remains relatively moderate, allowing for strategic flexibility and buffer space in business operations.



Transition Risk Analysis

Risk Classification	Climate Risk	Climate Scenario	Likelihood	Magnitude of Impact	Time Horizon
Policy and Regulatory Risk	Stricter regulation	NZE 2050	Above-average	Average	S M
		IEA STEPS	Average	Low	M L
	Higher information disclosure requirements	NZE 2050	High	Average	S M
		IEA STEPS	Average	Low	S
	Rising carbon costs	NZE 2050	High	Above-average	M L
		IEA STEPS	Low	Low	M L
Technology Risk	Difficulty in development of green technologies	NZE 2050	Average	Above-average	M L
		IEA STEPS	Average	Average	M L
	Transition to low emissions	NZE 2050	High	High	M L
		IEA STEPS	Low	Low	M L
Market Risk	Shifting consumer preferences	NZE 2050	Average	Above-average	M L
		IEA STEPS	Average	Average	S
Reputational Risk	High public expectations for corporate social responsibility	NZE 2050	Above-average	Average	M L
		IEA STEPS	Average	Average	S

S

 Short Term

M

 Medium Term

L

 Long Term

Analysis of Carbon Value at Risk (CVaR)

To better assess the potential impacts of climate change, Bosideng further conducted a climate scenario analysis on transition risks by carbon pricing, which has been identified as a material climate-related risk to the Company. Carbon price refers to the shadow price of carbon, or the price associated with avoiding or emitting carbon dioxide equivalent (CO₂e) emissions. The core rationale of carbon pricing is to internalize the external costs of carbon emissions and reflects the marginal cost of emissions reduction under the influence of various climate policies. For this analysis, the Company adopted the Network for Greening the Financial System (NGFS) Net Zero 2050 scenario to assess the Climate Value at Risk (CVaR), estimating the percentage of changes in asset value attributable to carbon price-driven transition risks relative to the enterprise value of the Company. Under the NGFS scenario, carbon pricing incorporates the impacts of various climate policies, including carbon taxes, subsidies, prices of carbon dioxide emission permits and environmental standards. In assessing the economic costs of climate change mitigation, carbon pricing serves as an indicator of the stringency of climate change mitigation policies.

Climate Scenario	NGFS Net Zero 2050
Temperature Rise by the End of the Century	1.4°C above pre-industrial levels
Characteristics	Orderly transition scenario, strong transition policies
Scenario Assumptions	The NGFS 2050 scenario assumes that the world introduces effective climate policies now, undergoes an orderly transition globally, achieves net-zero emissions by 2050, and reaches the Paris Agreement's 1.5°C temperature control target by the end of the century.
Analysis Time Points	Short-to-medium term (2030), Long term (2050)

This analysis simulates the Company's future carbon emissions pathway based on its Scope 1 and Scope 2 greenhouse gas emissions and historical emission trends over the past three years, greenhouse gas emissions target planning and the proportion of green electricity consumed. Taking into account the Company's operating regions and industry characteristics, together with regional decarbonization policies and emissions reduction pressures, the analysis determines the projected carbon emissions gap. Based on carbon prices under the NGFS China scenario, the carbon value at risk (CvaR) is calculated to estimate the percentage of asset profit and loss caused by transition risks primarily driven by carbon prices relative to the enterprise value of the Company.

Climate Scenario	Temperature Rise by the End of the Century	Carbon Value at Risk (CVaR)	
		Short to Mid Term2030	Long Term2050
NGFS Net Zero 2050	1.4°C	0% ~ 0.01%	0.01% ~ 0.05%

Under the NGFS Net Zero 2050 scenario, climate transition policies become increasingly stringent, with policy intensity significantly strengthening particularly after 2040. Bosideng has established a decarbonization pathway in accordance with the Science Based Targets initiative (SBTi) framework, targeting net-zero emissions from its own operations by 2038. The Company's overall transition risk remains manageable, and its CVaR remains below 0.05% across the short-, medium- and long-term assessments.

Transition Risk Impacts and Response Measures

Risk Classification	Impact on Value Chain						Impact on Business, Strategy and Finance	Mitigation Measures
	Product R&D	Raw Material Procurement	Product Manufacturing	Logistics Transportation	Product Delivery	After Sales Service		
Policy and Regulatory Risk	Stricter regulation							
							With increasing attention on global climate change, governments and international organizations have strengthened environmental legislation and issued stricter regulations and standards.	- Keep an eye on the dynamics of climate and environmental related policies at home and abroad; - Proactively communicate and collaborate with industry associations and regulators, and participate in industry standards development.
								
	Increased disclosure requirements							
							The Stock Exchange has stipulated the requirement to disclose climate-related information under the ESG Code. This increases the compliance requirements for listed companies, urging them to accelerate the pace and improve the quality of disclosing climate-related information.	Keep an eye on the latest requirements of the Stock Exchange, and conduct climate-related information disclosure in accordance with standards.
								
	Rising carbon costs							
							The Chinese carbon market is expanding progressively, and the textile and apparel industry may be included in the carbon trading system in the future. If Bosideng fails to effectively manage its carbon footprint, it will face pressure from rising carbon costs.	- Calculate carbon footprints for core products and production phases, and cooperate with professional institutions to promote product carbon footprint certification; - Assist suppliers in carbon reduction pathway planning, driving upstream factories to phase out coal-fired equipment and deploy photovoltaic power generation.
								
Technology Risk	Complicated green technology R&D							
							The achievement of carbon neutrality goals depends on the introduction and application of advanced green technologies. The R&D and promotion of such technologies require a large investment.	- Increase investment in R&D and actively cooperate with universities and research institutes to jointly develop advanced technologies; - Adopt a product strategy of rapid iteration and continuous improvement to ensure that the technical level has always been leading the industry; - Manage the climate impact of products throughout their life cycle, and build a green product system through measures such as using environmental-friendly fabrics, strictly managing chemicals, investing in energy-saving and emission reduction equipment, and developing low-carbon manufacturing processes.
								

Risk Classification	Impact on Value Chain						Impact on Business, Strategy and Finance	Mitigation Measures
	Product R&D	Raw Material Procurement	Product Manufacturing	Logistics Transportation	Product Delivery	After Sales Service		
Technology Risk	Low emission transition							
							With the aim of achieving carbon reduction goals, the enterprise must invest in more environmental-friendly production technologies and equipment, which will correspondingly increase operating cost.	- Expand the layout of self-owned photovoltaic power generation and purchase renewable energy green certificates to promote the transition of operational electricity towards full coverage by renewable energy; - Deepen collaborative R&D with suppliers to expand the adoption rate of green materials such as bio-based environmental-friendly fabrics and recycled materials.
								
Market Risk	Shifting consumer preferences							
							Market trends indicate that consumers are increasingly paying attention to environmental protection and sustainable fashion, and their emphasis on the environmental performance of products and the social responsibility performance of enterprises has significantly increased. To adapt to this change, Bosideng must strengthen the environmental attributes of its products on the basis of ensuring quality and fashion.	- Increase investment in sustainable materials and green technologies to actively meet consumer market demand for eco-friendly products; - Create a consumer community of sustainable fashion to provide consumers with green products and services, help consumers cultivate green consumption habits, and build an engagement platform to establish a sound communication mechanism with consumers regarding green environmental protection and sustainable fashion development.
								
Reputational Risk	High public expectations for corporate social responsibility							
							As society pays more attention to environmental issues such as climate change, the public's expectations on corporate social and environmental responsibility have also risen. If Bosideng fails to respond to these expectations, its business reputation will face the risk of negative impacts.	- Formulate sustainable development directions around all aspects of the value chain, and establish open and transparent dialogue mechanisms with stakeholders in diverse manner; - Regularly release ESG reports, industry reports and communications to demonstrate the Group's sustainable development achievements to the public.
								

Impact on value chain segments

 High level of impact

 Medium level of impact

 Low level of impact

Related potential financial implications

 High level of impact

 Medium level of impact

 Low level of impact

Climate related Opportunity

Identification and Management of Climate-Related Opportunities

Opportunity Classification	Impact on Value Chain						Impact on Business, Strategy and Finance	Mitigation Measures	
	Product R&D	Raw Material Procurement	Product Manufacturing	Logistics Transportation	Product Delivery	After Sales Service			
Energy Utilization	Improving energy efficiency								
							- Reduce direct energy expenditure and reduce operating costs; - Indirect cost savings achieved through production process optimization.	Develop emission reduction measures for all links in the value chain, reduce energy consumption and lower greenhouse gas emissions.	
									
	Clean energy utilization								
							- Clean energy is expected to receive more policy support in the future, and early deployment may help enterprises avoid future carbon taxes or carbon trading costs that they may face; - The use of clean energy helps increase brand value as consumers are generally more willing to pay a premium for brands with environmentally friendly attributes.	Actively explore the application of clean energy sources such as solar power and wind power, so as to decrease the dependence on fossil fuels and help achieve the carbon goals.	
									
Products and Services	Innovative products and services								
							Consumers are increasingly prioritizing corporate ESG performance, with eco-friendly products gaining significant market preference. The proactive development of environmentally friendly products helps attract more consumers, thereby enhancing corporate market competitiveness.	- Develop products corresponding to different climate conditions, such as down apparel with better thermal insulation performance and light apparel; - Drive product design and services with the concept of sustainability, using recyclable materials and providing product repair and recycling services, so as to increase brand loyalty and market competitiveness.	
									
Market	Expanding to new markets								
							Climate change is driving sustained growth in demand for environmentally friendly cold-resistant clothing in high-latitude regions such as Northern Europe and Canada, creating new market opportunities for Bosideng.	- For emerging markets such as Northern Europe and Canada, design and promote products fit for local climate conditions, thereby expanding new market space; - By taking effective measures to reduce environmental footprint, Bosideng continues to shape its brand image as a responsible enterprise to attract more environmentally conscious consumers.	
									

Opportunity Classification	Impact on Value Chain						Impact on Business, Strategy and Finance	Mitigation Measures
	Product R&D	Raw Material Procurement	Product Manufacturing	Logistics Transportation	Product Delivery	After Sales Service		
Strategy	Enhancing climate resilience							
							By enhancing climate resilience, effectively mitigate operational challenges from extreme weather, such as ensuring the stable supply of core raw materials (such as goose and duck down) and avoiding losses caused by climate disasters in a single region.	- Build a more flexible and resilient supply chain system, in a bid to tackle the impact of extreme weather and natural disasters and ensure the continuous stability of production and supply; - Establish a comprehensive emergency management system by developing an emergency production plan and logistics arrangement, to quickly respond to sudden climate events and minimize potential loss.
	Innovation of digital intelligence							
							- On the production side, big data and AI technologies can optimize production plans, reduce inventory backlogs and unsalable risk, thereby reducing warehousing costs; - On the logistics side, intelligent logistics systems can effectively reduce transportation costs and improve the overall supply chain efficiency.	Increase the investment in smart manufacturing, smart logistics, smart merchandise management and other key fields, aiming to drive the improvement of operational efficiency through digitalization and intelligentization.
Reputation	High ESG rating							
							- As the first and only brand in the China textile and apparel industry to receive the highest MSCI ESG AAA rating, the Group has significantly enhanced its brand reputation and industry influence; - A high ESG rating attracts capital, while participation in standards formulation affords first-mover advantages.	- Leverage the high ESG rating as a core endorsement of the brand's sustainability leadership, translating it into greater influence within the global industry; - Promote green products and translate ESG performance into products' green value that is directly perceptible to consumers.

Impact on value chain segments

High level of impact

Medium level of impact

Low level of impact

Related potential financial implications

High level of impact

Medium level of impact

Low level of impact

■ Climate Transition Plan and Annual Practices

Climate change is a systemic challenge facing the global community. As a leading enterprise in China's textile and apparel industry, Bosideng fully recognizes its responsibilities and opportunities in driving the industry's transformation. The Group has established and continuously refined its "1+3+X" strategy, setting forth climate targets and value chain decarbonization plans, and put in place regularized management mechanisms to ensure the formulation and implementation of its transition plan.

Climate Transition Plan

■ Climate Targets and Value Chain Decarbonization Plan

In response to the increasingly severe challenge of climate change, Bosideng proactively leads the industry's low-carbon transformation. Guided by the SBTi framework, with a focus on the practicality of emission reduction pathways, the Group has conducted an in-depth analysis of climate change trends, industry developments, and its own technological advantages, setting a clear goal of "achieving net-zero emissions in its operations by 2038", and established clear phased climate transition targets for the entire value chain. Bosideng organizes regular inventory work of greenhouse gas emissions within the organizational scope and reporting boundaries, and reports climate-related performance through the CDP climate questionnaire on an annual basis.



2030



- Low-carbon fabrics usage rate reaching 40%
- Enhancing the efficiency of integrated operations of merchandise to further reduce overproduction and increase the utilization of raw materials
- Optimizing transportation routes, improving transportation efficiency, and exploring new transportation methods constantly

2035



- Green electricity in operation accounting for over 60%
- Building energy efficiency improved by over 30%
- Actively supporting over 80% of core suppliers and upstream and downstream partners to improve energy efficiency by 30%

2038



- Achieving net-zero emissions in its operations
- Green electricity in operation accounting for 100%
- Low-carbon fabrics usage rate reaching 80%
- Continuously exploring methods for product recycling

Key Assumptions and Dependencies of the Transition Plan, and Resource Allocation

The implementation of the transition plan and the achievement of the established climate targets are subject to multiple factors, including the macro-policy environment, the transformation of the energy system, the development of low-carbon technologies, supply chain collaboration, and market demand. In formulating its transition pathway, the Group has fully taken the above factors into account, and regards them as an important basis for assessing the achievability of its targets, the priorities of resource investment, and the direction of subsequent adjustments. On the premise of sustained business development, the Group expects its operating revenue to maintain growth, and the expansion of business scale and product sales may bring about a corresponding increase in energy and raw material demand. Therefore, the Group's emission reduction pathway does not rely on the contraction of business scale, but will be achieved mainly through energy structure optimization, energy efficiency improvement, the application of low-carbon materials, supply chain emission reduction, and technological innovation, thereby gradually decoupling business growth from greenhouse gas emissions.

Key Assumptions and Dependencies

The Group's transition plan is first and foremost built upon the policy and market environment in which the low-carbon transition continues to advance globally and in China. Reflecting the transition direction indicated by the IEA NZE 2050, the Group assumes in its analysis that climate policies and carbon constraint mechanisms will be further refined, the power system will continue to decarbonize, and renewable energy infrastructure, green power trading, and GEC mechanisms will gradually mature, while building energy efficiency, end-use electrification, and the application of clean energy continue to improve. Under the relevant scenario assumptions, the emission intensity of China's power grid is expected to decline further over the next decade, providing external conditions for the Group to reduce emissions related

to electricity consumption in its operations. Meanwhile, the maturity, availability, and economic viability of technologies such as energy-efficient equipment, digital manufacturing, new energy logistics, and low-carbon materials are expected to keep improving with technological progress and scaled-up application, thereby supporting the Group in expanding the commercial application of these technologies.

Changes in consumer and market demand are also key external assumptions underlying the transition plan. The Group expects that consumer attention to the environmental performance of products, sustainable materials, and corporate climate responsibility will continue to grow and gradually translate into market demand for green and low-carbon products. Accordingly, the Group actively participates in industry standard formulation, low-carbon material R&D, and innovation collaboration with upstream and downstream partners, so as to strengthen the ability of its product portfolio and value chain to respond to low-carbon consumption trends. Should future policy advancement, energy system decarbonization, technological development, or market demand deviate materially from current assumptions, the implementation pace, costs, and emission reduction outcomes of certain transition measures could be affected.

From a value chain perspective, supplier collaboration is one of the critical dependencies for the Group to achieve overall decarbonization. In FY2025/26, the Group's Scope 3 emissions accounted for 94.84% of total greenhouse gas emissions (of which purchased goods and services accounted for 85.98%). Therefore, emission reductions across the Group's value chain depend to a large extent on upstream suppliers' ability to improve energy efficiency, expand the application of clean energy, and increase the share of low-carbon raw materials. Through supplier energy management, system certification, chemicals management, specialized carbon reduction training, and supply chain ESG digital management, the Group continuously enhances core suppliers' emission reduction capabilities and the transparency of their energy and carbon emissions data, while strengthening the tracking of supply chain transition progress.

Emission reductions in the Group's operations likewise depend

on the development of the external clean energy supply system. In line with its established pathway, the Group plans to continuously increase the proportion of green electricity used in its operations; accordingly, the achievement of related targets is influenced by the scale of renewable energy supply, green power trading mechanisms, the GEC system, and the development of regional energy infrastructure. After fully implementing direct emission reduction measures, for residual emissions that remain difficult to eliminate, the Group will prudently balance them through high-quality carbon removals and other means in accordance with applicable net-zero principles and internal management requirements, while upholding the priority of direct emission reductions and refraining from substituting carbon offsets for its own emission reduction actions.

Emission reductions at the product end are highly dependent on the scaled-up application of low-carbon materials and related technologies. The Group plans to gradually increase the usage rate of low-carbon fabrics, and the achievement of this target is subject to factors such as the technological maturity, stable supply capacity, product performance, and cost changes of materials including recycled nylon and bio-based nylon. To reduce the uncertainty arising from these dependencies, the Group continues to invest in the R&D of bio-based materials such as PA510 and PA11 as well as recycled materials, promotes the application of certified materials, and strengthens the long-term supply capacity of low-carbon raw materials through technical collaboration with suppliers.

In addition, a reliable data foundation and internal execution capabilities are important supporting conditions for the effective implementation of the transition plan. Leveraging the supply chain ESG digital management platform, the Group continuously tracks the energy consumption and carbon emissions data of core suppliers, and conducts greenhouse gas accounting and third-party verification in accordance with standards such as the GHG Protocol and ISO 14064, so as to enhance the data reliability of target monitoring and progress evaluation. Meanwhile, the Group continues to strengthen climate and decarbonization capacity building among personnel in operations, R&D, procurement, supply chain, and

management functions, providing organizational support for advancing transition measures across functions.

Resource Allocation

To address the key assumptions and dependencies described above, the Group continues to strengthen capital and financial support, human resource allocation, and governance and execution safeguards, and aligns resource inputs with its emission reduction targets and implementation pathways through cross-departmental collaboration.

In terms of governance and execution safeguards, the Group has established a three-tier governance structure comprising "the Board—the Sustainability Steering Group—all departments", which coordinates the decision-making, oversight, and execution of climate issues. The Group has linked 5% of the Chairman of the Board's total remuneration to climate action performance, further strengthening management's accountability for the implementation outcomes of the transition plan.

In terms of capital and financial resources, the Group continues to allocate capital expenditure and related operational inputs to key areas such as renewable energy procurement and application, energy-saving technical transformation, low-carbon material R&D, intelligent manufacturing, green logistics practices, and supply chain emission reduction, so as to support the continuous decarbonization of its operations and value chain.

In terms of human resource allocation, functions including sustainability, procurement, supply chain, R&D, operations, and related business units jointly advance climate action. Through internal training, management capacity building, and specialized carbon reduction training sessions for core suppliers, the Group continuously enhances the professional capabilities of the organization and value chain participants in energy and greenhouse gas management and low-carbon transition, providing talent support for the long-term implementation of the transition plan.

Climate Change Mitigation Measures

Climate change mitigation requires coordinated efforts across multiple fronts, including products, operations, and the supply chain. Bosideng continuously integrates the low-carbon principles into the entire product life cycle and value chain management-from green product design, circularity, and green retail stores, to energy and carbon emissions management on the operations side, and further to supply chain collaboration on emission reduction and consumer engagement-advancing sustainable development from internal corporate management toward products and the market. By continuously increasing the proportion of green products and sustainable revenue, improving the closed-loop circulation of products, and strengthening clean energy and carbon management, while encouraging consumer participation through interactive initiatives such as the Renewal Workshop and used garment upcycling, the Group is committed to making every product, every business process, and every consumption choice a part of the journey toward a low-carbon future.



Sustainable Fashion

Green Product

Leveraging its deep R&D and innovation expertise and frontline practical experience, Bosideng, as the leading drafting organization of T/CNGA 33-2021 *Technical Specification for Green-design Product Assessment-Down Apparel*, has promoted the establishment of a green design assessment system covering the entire product lifecycle, including raw material procurement, manufacturing, sales and use, as well as recycling and disposal. The standard specifies the terms and definitions, assessment requirements, requirements for the preparation of lifecycle assessment reports, and lifecycle evaluation methodology for green products, providing standardized guidance for the down apparel industry in advancing green design and sustainable development practices.

In 2026, Bosideng established the *Principles for Defining Green Products*, specifying that suppliers of green products must possess sound quality management systems and environmental management systems. Building upon this, we have made specific classifications for relevant standards such as their use of environmentally friendly raw materials, product information transparency, zero waste and resource-optimized design. Meanwhile, Bosideng persists in the development of carbon-neutral offerings, regarding both green products

and products that have obtained third-party carbon-neutral certification as sustainable products that make a substantial contribution to climate change mitigation, and identifies the relevant sales revenue as sustainable revenue. This definition aligns with the "climate change mitigation" activity category in the EU Taxonomy, taking the green attributes and the independent verification of net-zero emissions throughout the entire product lifecycle as the core threshold.

The Group continues to pursue technology-led, high-quality innovation and persists in the development of carbon-neutral offerings. While ensuring product comfort and high quality, Bosideng conducts ongoing R&D focused on technical textile and low-carbon products. In collaboration with suppliers, Bosideng has developed protective fabrics containing more than 70% bio-based content, which have been applied to the VERTEX series. The CIRCULAR 3.0 series has achieved a closed-loop G2G design and received both the ISPO Global Design Award-Gold Award and the US IDEA-Silver Award, and has obtained the zero-carbon product certification mark issued by the CQC.

In terms of product carbon footprint certification, multiple core products of Bosideng, including the sixth-generation Extreme Cold Polar Goose Down Jacket, the Extreme Cold Premium Goose Down Jacket, the widely popular and versatile Lightweight Down Jacket and the Windbreaker Down Jacket, have obtained carbon footprint certification from the

CQC. Leveraging their low-carbon attributes, these products have achieved carbon-neutral status. In FY2025/26, with carbon footprint management and green certification as core levers, Bosideng continuously reduced the environmental impact of its products, enhanced the green attributes of its products, unlocked further low-carbon development potential and advanced the achievement of its carbon-neutral goals.

The Group's sustainable revenue is mainly derived from the aforementioned sustainable products. Taking the Windbreaker Goose Down Jacket (Product Code: B250331320) as an example, the greenhouse gas emissions generated per product during production are 10.90 kg of carbon dioxide equivalent. The Group achieved carbon neutrality for the designated batches of products by purchasing and canceling verified emission reductions (VCUs) from certified VCS projects. The above greenhouse gas quantification and neutralization processes comply with ISO 14067 and PAS 2060 standards and are independently certified by the CQC. In FY2025/26, the Group accumulatively canceled 853.11 tonnes of greenhouse gas emissions, and a total of 193,282 products completed carbon-neutral cancellation, covering ten core products including the Windbreaker Goose Down Jacket, Short Hooded Long-Sleeve Jacket, Puff Innovative Down Jacket, and Soft Light Sports Sun Protection Jacket.



Product Carbon Footprint Certification



Product Carbon Neutrality Certificate

Circular Economy

Upholding the ESG strategic vision of "leading sustainable fashion with a consumer-oriented approach", Bosideng deeply integrates the concept of sustainable fashion into the entire process of value chain operations and product management. Based on the identification of key links such as product design, raw material selection, production manufacturing, consumption and use, and recycling and reuse, the Company continuously explores closed-loop circulation models for products. To this end, by building a complete management mechanism and cross-departmental collaborative system, the Company jointly promotes circular economy-related work through the Sustainability Steering Group, innovation research institute and supply chain management center, among others, continuously improving the sustainable development level of products and supply chains.

Bosideng continuously carries out sustainable fashion practices, promoting the implementation of sustainable fashion concepts through product R&D and innovation, the application of sustainable materials, improving product durability, carrying out product maintenance and old clothes recycling practices and other approaches at different stages. Meanwhile, the Company has formulated a clear medium- and long-term development path, planning to achieve a 40% utilization rate of low-carbon fabrics in all product lines by 2030; further increase it to 80% by 2038, and synchronously improve the construction of the product recycling network, promoting the terminal product recycling rate to reach over 30%.

Product innovation and product R&d



- In 2021, Bosideng took the lead in breaking through the traditional linear development model of "production-waste", launching the CIRCULAR 1.0 product. This product adopts a detachable structural design, achieving efficient separation of fabrics, linings and down, thereby effectively extending the product lifecycle, reducing resource consumption and environmental impact, and providing innovative practices for the development of the industry's circular economy.
- In 2023, based on circular recycling technology, Bosideng further extended to the field of material innovation, successfully developing the CIRCULAR 2.0 product. By combining bio-based nylon with natural down, promoting the construction of a biobased circular system covering the entire lifecycle of raw material acquisition, production manufacturing, product use and recycling disposal, achieving efficient resource utilization and minimizing environmental impact.
- In 2025, we launched the third-generation circular down jacket product Circular 3.0, aiming at the G2G closed-loop circulation, achieving full lifecycle resource recycling of products. The product has passed the standard verification of the *Specifications for Circular Fashion Design*, becoming the industry's first batch of SA-rated products, and won the ISPO Global Design Award-Gold Award and the IDEA (International Design Excellence Awards)-Silver Award.

Application of sustainable materials



- Bosideng actively expands the application of bio-based materials, focuses on and invests in the R&D of innovative bio-based eco-friendly materials such as plant fiber and algae-based fiber. These efforts aim to reduce reliance on petroleum-based chemicals and mitigate potential risks at the source.
- The Company deepened its strategic partnership with GORE-TEX to jointly develop and successfully implement bio-based eco-friendly fabrics, and such innovative achievement earned the ISPO Award for textile.
- Bosideng launched 100% bio-based single-material fabrics such as BOSIDENG®100Biolon and BOSIDENG®Pure, as well as BOSIDENG®ONE-HEAT using recycled polyester and TPE film, improving material recyclability and resource circulation efficiency; BOSIDENG®elpower achieves low-carbon attributes while realizing high-performance breathability.

Ensuring product quality



- Bosideng continuously improves its product quality management system by building an end-to-end quality management chain throughout the entire lifecycle covering "design—raw materials—production—finished products—after-sales".
- Bosideng's raw material expert laboratory has been accredited by the CNAS and certified as an authorized laboratory by the IDFB. Relying on a complete set of institutional documents covering major functional centers, Bosideng business divisions and production bases and the entire industrial chain operation process, these systems are evaluated for operation effectiveness through annual internal and external system audits and continuously optimized.
- In terms of supplier quality management, we establish long-term cooperative relationships with high-quality suppliers, conducting strict screening and inspection on key materials such as down and fabrics.
- In terms of production and finished product inspection, the Company implements the "three-level inspection system" and the "simulated market sampling inspection system". Each inspection batch is accompanied by an inspection report to ensure 100% execution of the three-level inspection on each batch.

Product maintenance and recycle



- We offer premium repair and maintenance programs to extend product lifespan.
- We carry out circular fashion plans such as old clothes recycling creative workshops and store warm circulation plans to give waste a second life, engaging members in hands-on DIY creation.

Green Retail Stores

Terminal retail stores are the primary touchpoint for consumers to learn about the ESG value of our products and brand. Guided by the positioning of "becoming consumer green interaction hubs and carbon reduction technology demonstration grounds", and to integrate green and sustainable development concepts into the entire process of its retail network and operational management and build sustainable stores oriented toward resource conservation and environmental friendliness, the Group has launched three core initiatives, namely "Energy Revolution, Spatial Reinvention and Operational Transformation".

Currently, over 1,000 directly operated stores nationwide have completed energy-saving upgrades, achieving 100% coverage. In particular, the Bosideng Beijing Sanlitun Summit Concept Store participated in the formulation of the industry's first "Carbon Neutrality Store" standard.

In terms of smart device upgrades, store lighting has fully adopted high-efficiency LED lighting fixtures. Among them, newly upgraded lighting fixtures in 2025 reduced electricity consumption by 13% while maintaining the same lighting efficiency. Core stores are equipped with intelligent gateway lighting control systems and variable

frequency air conditioners, reducing air-conditioning energy consumption by approximately 30%. In 2026, the Company plans to pilot Internet of Things intelligent store systems, connecting lighting fixtures, screens, air conditioners and other equipment. Through scenario settings and intelligent matching with business hours, electricity consumption is expected to be further reduced by 20%-25%.

In terms of building a green operations system, Bosideng continues to advance its green mall coverage plan, with a target of achieving over 90% green mall coverage for self-operated stores, and prioritizes commercial premises with green building certification for store locations. Based on the standards of the "Green Action Plan", the Company continuously increases the overall proportion of stores located in green-certified malls. In response to the operational characteristics of seasonal pop-up stores, in 2026, the Company plans to promote reusable design solutions across approximately 250 pop-up stores, achieving an overall reconstruction reuse rate exceeding 70% through a modular and detachable construction system. This initiative is expected to reduce the use of relevant materials by approximately 95%, transforming pop-up stores from a "single-use consumption" model into a green operating model of "circular reuse", while lowering construction costs and enhancing environmental benefits.

Energy Revolution

Smart lighting system	Store operational energy consumption is optimized by accelerating the improvement of lighting equipment together with manufacturers. All offline stores have selected and adopted energy-efficient LED lighting fixtures, promoting the use of high-efficiency lighting equipment. By leveraging smart systems to connect functional equipment and matching lighting requirements with different store usage scenarios based on store needs, lighting settings are accurately adjusted to maximize energy conservation and emission reduction.
Efficient temperature control system	Variable frequency air conditioners and intelligent temperature control systems are applied, combined with thermal insulation building materials such as galvanized steel plates and high-quality rubber to reduce energy consumption.

Operational Transformation

Implementation of green retail store image design	Energy-saving and environmental protection concepts are incorporated into store image design standards, and environmentally friendly materials and lightweight designs are prioritized in store decoration and display fixture design, reducing resource consumption of stores at source.
Eco-friendly decoration	During store decoration, Bosideng prioritizes the selection and use of renewable, recyclable and reusable materials/substances. Stores are preferentially located in operational sites obtaining green building certification. For seasonal peak-period store re-installations, the reuse rate of materials and fixtures exceeds 80%.
Green building certification	Stores are preferentially located in operational sites obtaining green building certification; simultaneously, the coverage rate of green mall stores is continuously enhanced, targeting a development goal exceeding 90%.
Water resource management	Water-saving facilities are fully implemented in stores, with employees generally receiving energy-saving and water-saving training to standardize daily water conservation operations.
Green packaging	Stores use recyclable/biodegradable product packaging; all logistics cartons of core brands and paper shopping bags used in offline stores have obtained FSC or FSC Mix forest certification, with recycled materials accounting for approximately 76% of the logistics cartons.
Pop-up store circular design	Reusable and flexibly dismantlable fixtures and props are utilized to reduce transportation and inventory losses.

Spatial Reinvention

Product maintenance services	The "Renewal Workshop" provides high-end members with down jacket maintenance services to extend the product lifecycle.
Green packaging solutions	Recyclable and biodegradable packaging materials are fully implemented.
Sustainable product display	Dedicated exhibition zones for zero-carbon products and eco-friendly fabrics are established.
Intelligent operational system	Digital tools are utilized to reconstruct the relationship between "people, goods, and place", enhancing resource utilization efficiency.



Consumer Green Interaction

Bosideng effectively enhances consumer engagement through diversified green interaction services, continuously fostering awareness of green consumption and establishing a new model of sustainable consumption. The Group has developed a sustainable product use education program for consumers, aiming to help consumers extend product lifespan and reduce resource waste caused by improper care. To extend product lifespan, the Group provides one-year free repair services for quality-related issues and one-year paid repair services for user-induced damage. It also helps consumers properly maintain their products through member down jacket cleaning service redemption, the *Product Care Guide* available on garment care labels and the Bosideng's send-for-repair mini program. At the same time, through promotional campaigns, we distribute specialized down detergent as complimentary gifts, while our WeCom (WeChat Work) platform delivers tailored garment care knowledge to help customers maximize product longevity. In terms of after-sales services, consumers enjoy a 7-day no-reason-return policy and return or replacement for quality issues within 15 days, providing greater assurance for green consumption. In FY2025/26, the number of products for which Bosideng provided repair services was 183,000 pieces, with an estimated average weight of 1,500g per piece, totaling 274.5 tonnes.

Case Promoting Circular Fashion Through Used Garment Upcycling



Bosideng continues to explore textile circularity by actively carrying out used garment upcycling initiatives, advocating the concept of "zero disposal of used garments". Through member engagement and sustainable fashion-themed activities, the Company encourages consumers to participate in used garment upcycling and resource circularity, promoting the concept of green consumption. During the Year, Bosideng organized 20 sustainable fashion activities across Beijing, Tianjin, Shanghai, Hangzhou and other cities, focusing on garment upcycling and member DIY workshops. A total of 784 participants registered for the activities, while online campaign exposure exceeded 13 million views. Through continuously strengthening public engagement and circular fashion practices, Bosideng has enhanced consumer awareness of environmental protection and contributed to fostering a green and low-carbon lifestyle.



Case Bosideng "Renewal Workshop" Project



Bosideng adheres to long-term sustainability, caring for every member with warm services. We carry out circular fashion plans such as old clothes recycling creative workshops, store warm circulation plans, and renewal workshops, advocating sustainable lifestyles and co-creating a green future with users. Focusing on integrated product cleaning, care and repair services, we extend product service life with professional technology, providing users with a highquality service experience.



Energy and Carbon Emissions Management in Operations

Bosideng attaches great importance to the impact of energy consumption and carbon emissions from its operational activities on climate change. Bosideng strictly complies with relevant national laws and regulations, specifically adhering to the *Energy Conservation Law of the People's Republic of China*, and has formulated and implemented the *Energy Saving and Consumption Reduction Management Regulations* in accordance with the *Energy Management System Requirements and Use Guide* (GB/T 23331-2020), aiming to integrate green and low-carbon principles into the entire process of operational management through standardized management means.

To actively strengthen the Group's energy efficiency management and control, Bosideng established a systematic energy target management framework during the Year. In accordance with the requirements of the *Energy Saving and Consumption Reduction Management Regulations*, the Company achieves "energy conservation in equipment, process or management" through comprehensive measures such as equipment iteration, process optimization, and management innovation; in terms of resource conservation and utilization, the Company has established stringent energy consumption benchmarks to ensure that the energy consumption per unit of product (output value) and utility consumption per labor hour remain below the preceding two-year averages, comprehensively advancing its "Low Resource Consumption" initiative (covering utilities, raw materials, office supplies, etc.).

As an core driver for achieving low-carbon transformation, the Group proactively identifies and reduces energy consumption through energy consumption data monitoring and rectification, and promotes the application of renewable energy through photovoltaic power generation projects and the purchase of solar electricity and wind GECs, thereby practically increasing the proportion of renewable energy used in production and operation and reducing energy consumption and carbon emissions at the operational level. The Group has developed systematic energy-saving solutions for all processes involving electricity consumption, including office operations, logistics parks, supply chain management, and store operations, comprehensively accelerating the Group's green and low-carbon transformation through practical measures. In FY2025/26, Bosideng planned to achieve photovoltaic power generation system coverage in its logistics parks, further increasing the share of clean energy. Meanwhile, Bosideng obtained the ISO 50001 Energy Management System Certificate; and the Group has facilitated the procurement of 800,000 kWh of green certificates by its associated factories, and relevant work has been progressing in an orderly manner. It is expected that, by October 2026, the proportion of renewable energy consumption of the associated factories will reach over 44%.



ISO 50001 Energy Management System Certificate

Energy Consumption Monitoring



- The Group has developed the GiMS system, which integrates cutting-edge technologies including 5G+ industrial internet, big data cloud platform, and artificial intelligence. This platform enables flexible production capable of mass customization, and has pioneered industry-first automated down filling and automated packaging equipment. Through intelligent manufacturing, the Group has significantly improved energy efficiency and effectively reduced the carbon footprint per product across its entire value chain;
- Through integrating four core technological breakthroughs including AI large models, big data, cloud computing, and 3D clothing digitization technology, Bosideng completed the optimization and upgrade of four key processes: AI planning, AI development, 3D pattern modeling, and virtual garment delivery. The initial pattern development time was shortened from 100 days to 27 days, and sample clothing R&D costs were reduced by more than 60%, improving operational efficiency while effectively reducing unit energy consumption and carbon emission intensity in the R&D process;
- The Group's national intelligent manufacturing demonstration factories have achieved full coverage of the energy consumption online monitoring system, continuously optimizing key performance indicators such as production efficiency and energy consumption.

Daily Operations



- Conducting regular energy-saving and environmental protection awareness training for employees to enhance employees' comprehensive awareness and active management capabilities of the Company's environmental impact, comprehensively promoting resource conservation in operational stages;
- Implementing refined energy control measures, including scientifically planning elevator operation periods, timely turning off power to idle equipment, advocating for employees to use stairs preferentially, and strictly implementing air conditioning temperature standards and conference room energy use specifications;
- Proactively purchasing water-saving appliances, promptly identifying and handling water leaks. In terms of green paper use, vigorously promote paperless office, improve paper use efficiency, advocate the use of recycled paper, and set up waste paper recycling bins to strengthen paper recycling.

Offline Stores



- Requiring all stores to fully adopt energy-efficient lighting equipment and high-efficiency HVAC systems to effectively reduce energy consumption;
- Prioritizing buildings with green building certification as operational premises, ensuring that retail stores meet energy conservation and emission reduction standards throughout the process from construction to operation;
- Continuously increasing the coverage rate of green mall stores, setting a development target of over 90%;
- Requiring offline stores to widely adopt galvanized steel plates and high-quality rubber, polyvinyl chloride, polyurethane and other thermal insulation materials.

Energy-Saving Technical Transformation



- Retrofitting air conditioning systems in office areas with energy-efficient alternatives;
- Implementing leak detection and preventive maintenance protocols for air compressors to minimize energy consumption;
- Replacing outdated canteen cooking equipment with high-efficiency energy-saving units to reduce gas consumption;
- Conducting energy performance assessments on aging transformers and replace them with new energy-saving models;
- Phasing out high-energy-consumption fluorescent and conventional lighting fixtures and converting to LED energy-saving alternatives.

Renewable Energy Use



- Photovoltaic power generation facilities have been built on the roofs of eligible warehouses in the logistics park in East China to promote the application of photovoltaic power generation, significantly increasing the proportion of clean energy in the overall energy structure.

Energy and Carbon Emissions Management in Supply Chain

Green compliance and low-carbon requirements are core dimensions of Bosideng's cooperation with suppliers. The Group requires suppliers to strictly comply with applicable laws and regulations on environmental protection, energy use, waste management, and biodiversity conservation in the places where they operate and where their products are sold, and to proactively integrate low-carbon emission reduction and green development into their daily operations. Meanwhile, suppliers must establish effective environmental and energy management mechanisms, ensure that environment- and energy-related permits and approvals are held and kept up to date, and work with the Group to address the challenges posed by global climate change while minimizing negative environmental impacts.

To implement these requirements throughout the entire course of supplier cooperation, we developed the *Supplier Code of Conduct for Sustainable Development* and required suppliers to sign it. The code covers environmental management requirements such as environmental compliance and resource management; and through an open letter on environmental and social responsibility, the Group further clarifies environmental protection, energy conservation, and production safety responsibilities. The Group has also embedded low-carbon, green, and sustainable development clauses into procurement contracts, and continuously optimizes the *Supplier Cooperation Manual*, advocating for suppliers to prioritize processes and technologies that meet national environmental protection standards and energy-saving requirements in production, thereby promoting the green transition of the supply chain at the institutional and procurement mechanism level.

On this basis, the Group further strengthens supply chain environmental and carbon data management. Leveraging the supply chain ESG digital management platform that has been put into operation, Bosideng extends digital management to the upstream and downstream supply chain, continuously collecting and tracking the ESG performance of core suppliers, covering key data such as energy consumption and carbon emissions data, providing data support for identifying supply chain energy use and carbon emission risks, monitoring suppliers' emission reduction progress, and formulating targeted improvement measures, thereby enhancing the transparency and granularity of supply chain carbon management.

Beyond strengthening management and monitoring, the Group also actively promotes concrete emission reduction actions by suppliers. In parallel with expanding clean energy adoption across its own operations, the Group has actively promoted and encouraged upstream suppliers to transition to clean energy sources, driving upstream and downstream suppliers to develop carbon and energy reduction programs, expand green electricity and renewable energy application, and providing strategic guidance and technical support for suppliers to gradually phase out coal-fired equipment amid fuel decarbonization and energy electrification. In FY2025/26, the Group successfully achieved the target of keeping both energy consumption per unit of product and utility consumption per labor hour at its associated factories at or below the average levels of the preceding two years, representing a YoY reduction of approximately 5.2%. During the same period, upstream suppliers' total clean energy consumption reached 5,455 MWh, comprising 893 MWh from green electricity procurement, 4,164 MWh from photovoltaic generation, and 398 MWh from wind power, further driving the low-carbon transition of the supply chain energy mix.

To enhance suppliers' capacity for sustained emission reduction, the Group provides training in key areas such as sustainable development, greenhouse gas accounting, and carbon management, aligned with the supply chain's practical needs in energy management and carbon emissions management. In FY2025/26, the Group conducted a total of 10 supplier training sessions during the year, covering all 344 suppliers, with a 100% participation rate among key suppliers, helping suppliers improve their environmental and carbon management capabilities through knowledge sharing and capacity building.

The Group also continues to promote the establishment of standardized environmental management systems among suppliers, improving the supplier environmental management system certification mechanism and establishing a green supplier database. As of FY2025/26, suppliers holding ISO 14001 Environmental Management System certifications or equivalent certifications accounted for 28.35% of all suppliers. By combining institutional constraints, digital monitoring, emission reduction actions, capacity building, and system certification, Bosideng continues to extend environmental and climate requirements deeper into the supply chain, strengthening the supply chain's green and low-carbon transformation capability and long-term resilience.

Case Supply Chain Carbon Reduction and Energy Conservation Projects



Bosideng requires suppliers and affiliated factories to ensure the rigorous collection and management of energy data during their production and operations. They are mandated to continuously optimize their energy efficiency and energy mix to ensure the effective implementation of all energy-saving management requirements. Meanwhile, the Group has established systematic energy conservation frameworks across all areas, including supply chain management. Through initiatives such as energy-saving technological retrofits and equipment upgrades, we are steadily advancing the green and low-carbon transition of our supply chain.

In 2024, the Group's associated factory completed and commissioned a high-efficiency magnetic-levitation chiller unit. Featuring oil-free lubrication, the new unit significantly reduces mechanical friction losses, delivering overall energy efficiency 30%-50% higher than conventional fixed-speed units. For the compressed air system, the factory first surveyed plant-wide air pressure requirements, then addressed excessive supply pressure, leaking mechanical drain valves and pipeline joint leaks through tiered adjustments and targeted remediation, with estimated annual electricity savings of around 44 MWh. The factory also plans to phase out aging, high-loss transformers in favor of new models meeting national high-efficiency standards, further reducing equipment load losses and saving an estimated 15 MWh of electricity per year. In addition, a plant-wide inspection of lighting and air-conditioning equipment was completed, and outdated, damaged or energy-intensive units were replaced. High-efficiency and intelligent equipment,

combined with regular maintenance and inspection routines, has reduced lighting energy consumption by about 20% and significantly cut standby power waste.

Acting on the energy-saving recommendations in its 2025 energy audit report, a core Tier 2 supplier developed a systematic improvement plan covering the efficiency upgrade of aging motors, air compressor replacement and the retrofit of water-treatment aeration equipment. For loom motors, replacement is being rolled out in batches: over 100 permanent-magnet direct-drive motors have already been installed, with estimated annual electricity savings of 130 MWh. For air compressors, a new Grade 1 energy-efficiency unit has been commissioned to replace an aging Grade 3 unit, saving 73 MWh per year. For water-treatment aeration, magnetic-levitation blowers were installed first, followed by a pilot of air-levitation blowers—four units in total, saving 548 MWh of electricity per year.



Supplier water treatment aeration equipment retrofits

Climate Change Adaption Measures

Climate change may affect value chain processes such as raw material supply, supplier production, and warehousing and logistics through abnormal weather events such as extreme heat and heavy rainfall and flooding, and may also alter consumer demand and product use scenarios across different regions and seasons. In response to these potential impacts, Bosideng, on the one hand, reduces the risk of localized climate shocks transmitting to production operations and product supply by enhancing raw material supply resilience, strengthening supply chain risk identification and management, and increasing warehousing and logistics flexibility; on the other hand, it integrates climate adaptation factors into product R&D and product mix optimization, continuously improving product adaptability in terms of warmth retention, wind resistance, water resistance, moisture permeability, and multi-scenario wearability, so as to better respond to diversified needs amid temperature fluctuations and extreme weather.

Climate Adaption Products

Bosideng has always upheld the ESG strategic vision of "leading sustainable fashion with a consumer-oriented approach". While ensuring product comfort and high quality, the Company actively advances climate-adaptive product innovation and continuously intensifies R&D around low-carbon fabrics and use scenarios. By embedding low-carbon attributes at the raw material stage and establishing a low-carbon manufacturing system that spans the entire product lifecycle, Bosideng enhances both functional performance and the climate adaptability of its supply chain and end products. This approach delivers high-quality products that combine exceptional wearing experiences with sustainable value for consumers.

Lightweight Down Series



Global climate change has caused fluctuations in winter temperatures and changes in the duration of cold weather, thereby affecting the structure of consumer demand for down apparel. In response, Bosideng prioritizes investment in the development of lightweight products, continuously enriching its product matrix. Lightweight down jackets cover transitional spring-autumn and early-winter commuting scenarios, with designs supporting inner and outer layering, enabling flexible adaptation of a single item across different temperature ranges. This effectively expands the product's usability across regions and seasons, making it suitable for a wider range of scenarios.



Puffer Series



Bosideng integrates climate adaptation concepts into the functional design and material selection of its Puffer jackets, enhancing the product's adaptability to temperature fluctuations and changeable weather conditions such as wind and rain through lightweight technical fabrics, thermal insulation structures, and ergonomic design. The fabric combines wind resistance, water resistance, tear resistance, and lightweight comfort, with a measured abrasion resistance exceeding 15,000 cycles; meanwhile, the product uses imported European high-loft 90 goose down, combined with smart 3D pattern design and body heat mapping down filling technology, strengthening warmth retention while reducing weight, and improving wearing comfort and multi-scenario applicability through optimized silhouette and quilting structures.

Meanwhile, Puffer jackets continue to strengthen environmental performance throughout the entire product lifecycle. A Circular Design Fashion and Functional Puffer Jacket under the Bosideng brand became China's first Circular Transition Indicators (CTI) assessment case. The assessment strictly followed the internationally recognized seven-step CTI process, evaluating from the two indicator dimensions of circular inflow rate and circular outflow rate, and measured the material circularity rate of this product at 41.2%. The product embeds circular design concepts at the design stage, enhancing material recycling and product recyclability potential, and uses environmentally friendly raw materials to reduce resource consumption and climate impact at the source. In FY2025/26, this Puff Innovative Down Jacket completed carbon-neutral cancellation.



Areal Series



The AREAL series, a high-end urban line launched by Bosideng with the internationally renowned designer KIM JONES, innovatively reshapes classic down apparel categories, providing consumers with wearing solutions adapted to diverse climates and life scenarios. The AREAL series adopts innovative materials such as technological light functional fabrics, high-quality functional wool fabrics and Australian Merino wool, achieving improvements in performance such as thermal insulation and moisture permeability, water repellency, comfort and breathability, and easy care. At the same time, through haute couture pattern design and fine craftsmanship, it balances fashion aesthetics and wearing experience, demonstrating Bosideng's continuous exploration in high-end product innovation and quality upgrading.



Responsible Procurement

Responsible procurement is a key practice in Bosideng's climate adaptation. Through the parallel implementation of the *Supply Chain Management Policy* and the *Responsible Sourcing Policy* considered and approved by the Board, the Company continuously strengthens raw material traceability and supplier management, enabling it to precisely identify vulnerable links in the supply chain exposed to climate risks, plan ahead, and enhance the resilience of raw material access.

Application of Eco-Friendly Materials

Bosideng attaches great importance to the use of bio-based and recycled materials, actively adopts the industry's latest sustainable materials, and continuously invests in the development of eco-friendly materials. In recent years, Bosideng has achieved a series of innovations across four premium eco-friendly material fields—Recycled Materials, Bio-based Materials, Natural Fibres, and High-performance Eco-friendly Yarns—practices that have not only reduced the carbon footprint at the production end, but also strengthened the brand's adaptability to extreme climate change at the product performance level.



Recycled Materials



- Recycled Polyester (rPET):** Bosideng has adopted new sustainable fibre technologies for its windproof products made of highdenier fabrics, using micro-grooved recycled yarns to create lightweight outer layers that regulate microclimates. Taking 300D Oxford fabric as an example, its weight is reduced by approximately 20% while retaining excellent thermal insulation. In addition, Bosideng's use of recycled high-performance TPE film has helped reduce waste generation while delivering excellent breathability and waterproof performance, ensuring dryness and comfort during wear and enhancing resilience to sudden weather changes.
- Recycled Nylon (rPA):** Recycled nylon, a core material in sustainable textiles, has been widely adopted in the global textile industry, with its raw material sources including marine discarded fishing nets (48%), industrial waste (30%), and post-consumer textiles (22%). Since 2021, Bosideng has been exploring the application of marine-recycled nylon materials and has completed relevant product development, which won the German Red Dot Award and has been launched in the market.

Bio-Based Materials



- Bosideng has continued to develop bio-based nylon (PA510/PA11) using plant-derived raw materials such as industrial corn and castor oil, among which PA510 is derived from industrial corn, and PA11 is derived from natural castor oil fibres. Compared to conventional nylon, bio-based materials (extracted from plant sources) reduce carbon footprint by approximately 70%. Bosideng has successfully adopted bio-based nylon not only as a standalone material, but also across entire finished garments composed of low-carbon and environmental friendly nylon materials, with recycled nylon accounting for 60% and bio-based nylon for 40%.

Natural Fibres



- Bosideng pioneers the use of premium raw materials comprising organically grown mulberry silk, ultra-fine recycled nylon, and spandex interwoven together. Organically combining natural fibers with chemical materials achieves both environmental benefits and effectively extended textile lifespan. This material features a perfluorinated compound-free (PFC-free) waterproof characteristic, capable of instantly repelling water droplets while maintaining good breathability. The distinctive weave structure, unimpeded ventilation performance, and inherent softness of silk complement durable recycled nylon effectively, redefining the connotation of sustainable materials and achieving the perfect integration of organic luxury and earth protection.

High-Performance Eco-Friendly Yarns



- The core raw material of SORONA® yarn developed by DuPont USA originates from annually renewable plant-based sources. The polymer of this yarn consists of two primary constituents: PDO and PTA (or DMT). PDO serves as the pivotal raw material, wherein DuPont successfully utilizes plant fermentation to efficiently produce the PDO required for SORONA® manufacturing. This process replaces conventional petrochemical methods, thereby revolutionizing the chemical fiber domain with an eco-friendly paradigm. Collaborating with SORONA® and GORE-TEX, Bosideng has engineered an eco-conscious comfort-stretch fabric that extends material durability through applied Gore membrane technology, achieving new breakthroughs in sustainable materials.

Material Certification

The Group implements a stringent raw material certification mechanism, prioritizing the use of green materials certified by OEKO-TEX® STANDARD 100 and bluesign® and other corresponding material certifications. The main raw materials used in the Group's down apparel products include fabric, lining, interlining and filling materials. Fabric is the core component of garments, with polyester fiber and polyamide as the main components, which determines the appearance, texture and outline of products. Lining and interlinings, as the inner materials, comprise mainly polyester fiber, which directly affects the comfort and warmth of wearing. Down serves as the primary filling material, and we prioritize the use of goose down and duck down with a cluster content of no less than 90%. 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, is only used to fill areas such as the placket, bag cover, collar, and hat that are prone to friction and rubbing, so as to maintain the crispness of the clothing. In addition, commonly used accessories such as zippers comprise primarily nylon, metal and resin.

Down, as a key raw material, is vulnerable to extreme climate impacts. 100% of the down used in Bosideng down jackets has obtained RDS certification, while 92% has obtained OEKO-TEX® STANDARD 100 certification and 53% has obtained bluesign® certification. These certification and traceability mechanisms enhance the transparency of key raw material sources and supply chain information, providing a foundation for the Group to monitor supply changes and manage potential supply risks.

In FY2025/26, Bosideng did not purchase any leather materials. For leather procurement that may be conducted in future years, the Company will strictly purchase 100% from Leather Working Group (LWG) golden certified tanneries in accordance with the requirements of the Responsible Sourcing Policy. For cotton, which accounts for less than 1% of raw materials, and to promote climate-adaptive agricultural practices such as water conservation and soil protection at the cultivation end, thereby strengthening the supply chain's resilience to climate risks such as drought and high temperatures from the raw material source, Bosideng is committed that the proportion of sustainable cotton procurement certified by Textile Exchange will reach 80% or more by 2030.

In terms of OEM business, 90% of fabrics produced by Bosideng's associated factories have obtained the GRS certification for recycled materials, while 100% of fabrics containing wool have obtained the Responsible Wool Standard (RWS) certification. The application of recycled fabrics reduces dependence on virgin resources and mitigates the supply chain's vulnerability amid tightening climate policies and intensifying resource constraints, providing strong support for the brand to maintain supply stability and cost control throughout the climate transition.

Optimization of Water Resource Management

Climate change is profoundly reshaping the global water cycle, with escalating risks such as the frequent occurrence of extreme droughts and floods and the imbalanced temporal and spatial distribution of water resources. Bosideng complies with the *Water Pollution Prevention and Control Law of the People's Republic of China* and the policy requirements in the area where we operate. By formulating internal policies such as the *Environmental Management Policy*, the Group achieves the efficient utilization of water resources and standardizes the control of the acquisition and discharge of water resources, so as to address water resource-related risks brought about by climate change.

Bosideng comprehensively utilizes comprehensive measures such as water resource recycling, energy-saving technological transformation and water-saving education to systematically reduce water resource consumption and deeply tap the water-saving space in all aspects. In addition, the Group establishes a normalized inspection mechanism to ensure that water leakage issues are discovered and repaired in a timely manner, eliminating running, emitting, dripping and leaking. In addition, the Group continuously encourages suppliers to implement water resource control across all processes and adopt water-saving technologies, thereby achieving water resource management throughout the supply chain.

Case Supply Chain Water Resource Management Project



Bosideng requires suppliers to improve water use efficiency in their operations, reduce water consumption, and minimize environmental impact through water usage monitoring and water conservation management.

By comparing water usage data between 2025 and 2024, an associated factory of the Group identified abnormal fluctuations in its 2025 water consumption. A comprehensive survey of the underground pipeline network across the facility revealed a damaged fire-fighting water pipe, which the company promptly repaired and replaced, restoring water usage to normal levels. As of August 2026, a total of 8,376 tonnes of water had been saved cumulatively compared to pre-repair consumption.

Meanwhile, the company has continued to optimize daily water management, actively adopting water-saving devices for washrooms and implementing a monthly water usage data reporting mechanism, effectively reducing routine water consumption and advancing the refinement of its water resource management.



Supplier water resource management project

Chemicals Safety Management

Bosideng strictly implements the China National Standards GB18401-2010, the *National General Safety Technical Code for Textile Products*, and GB31701, the *Technical Specification for Textile Products for Infants and Children*, and other mandatory standards, and complies with more than 100 product standards and applicable regulations in the places where we operate. As a signatory brand of the ZDHC (Zero Discharge of Hazardous Chemicals) initiative, the Group benchmarks against the advanced standards of AFIRM (Apparel and Footwear International RSL Management) Group, continuously optimizes the *Chemicals Control Manual of Bosideng*, improves its chemical management system, and defines the chemical management approach, objectives, and organizational structure, ensuring that the use and disposal of chemicals meet environmental requirements.

The Group updates the *Restricted Substances List for Chemicals (RSL) of Bosideng* in accordance with AFIRM standards on a timely basis. Based on the relevant laws and regulations of the European Union and the United States, China's relevant regulations and market requirements, the Group defines restricted substances and their threshold limits, and conducts additional specialized testing on total fluorine content and fluorinated compounds for materials. The Group regularly conducts chemical substance testing on raw materials and finished products to timely identify chemicals that need to be phased out and replaced. During the Year, the RSL of Bosideng covers 34 categories of restricted chemical substances, including azoamine dyes and aromatic amine salts, prohibited disperse dyes (carcinogenic), among others.

Through high-standard chemical control, the Group can effectively avoid the risk of production suspension and rectification arising from environmental pollution violations, ensuring the continuity and stability of the supply chain under stringent regulatory policies. Bosideng leverages ZDHC's gateway database, the website of Detox.live, and third-party platforms to continuously monitor suppliers' implementation of ZDHC's standards from source to end. The Company requires core suppliers to submit chemical inventories used in their production processes on a monthly basis, and verifies their compliance rate of ZDHC MRSL (Manufacturing Restricted Substances List) Level 1/2/3 through a third-party platform, with a key focus on verifying Performance InCheck reports and factory zero-discharge certifications.

At the testing and verification level, Bosideng has established a dual line of defense combining its own laboratory and third-party sample testing: Bosideng monitors the pH value, formaldehyde content, and carcinogenic aromatic amine dyes of each batch of

fabrics, and strictly restricts the use of organic solvent oil in its OEM/ODM business, ensuring that all chemicals meet both MRSL and RSL requirements. For non-compliant suppliers, the Company implements closed-loop management of "improvement-tracking-termination" : in FY2025/26, the Company completed 100% on-site verification of third-party InCheck reports, the total achievement rate of supplier MRSL Level 1/2/3 reached 80%, and terminates cooperation with suppliers that fail to make improvements. The stringent mechanism compels upstream factories to phase out outdated production processes with high energy consumption and high pollution in favor of green technologies with low energy consumption and low emissions, driving the low-carbon transition of the supply chain.

To enhance consumer awareness of environmental and safety attributes and guide market demand toward low-carbon, durable, and safe green products, Bosideng, relying on channels such as the official website, APP, WeChat public account, and e-commerce platforms, regularly publishes interpretations of chemical substances in textiles, certification standards popularization, and product safety purchase guides. The Company's full range of products standardizes the labeling of information such as fabric composition, down composition, and safety category on washing labels, hangtags and product detail pages; some products that have passed bluesign® certification also clearly mark blue sign certification information, and the Company timely responds to consumer inquiries through its customer service hotline and member communities.

Bosideng has set the strategic target of achieving "zero discharge of toxic and hazardous chemicals in the supply chain" by 2030. To achieve this target, the Group has formulated management plans covering identification processes, specific chemical substances, affected products and product lines, and implementation timelines. Following the core approach of "source control, process management, end-point monitoring, continuous improvement", the Group further developed and released a chemical phase-out roadmap and five-year action plan in September 2026. The Group has established target achievement timelines for six categories of toxic and hazardous chemicals and is progressively advancing its phase-out and reduction targets in accordance with the established milestones. In 2026, the Group will further focus on the promotion of fluorine-free products and chemical safety management, promote the transformation of shared green management goals into coordinated action across the supply chain, and ensure the safety of the environment and consumers while improving product quality.

High-Risk Substance Phase-out Roadmap (Advance prohibition and reduction targets in line with established timelines)

Timeline	High-Risk Substances	Prohibition and Reduction Targets
2026	Azo-amines & Arylamine salts	■
2027	Dimethyl Fumarate (DMFu)	■
	Quinoline	■
2028	Alkylphenol Ethoxylates (APEOs) and Alkylphenols (APs)	■
	Chlorinated Paraffins	■
	Phthalates	■
2029	Chlorinated Paraffins	■
	Dimethyl Fumarate (DMFu)	■
2030	Azo-amines & Arylamine salts	■
	Alkylphenol Ethoxylates (APEOs) and Alkylphenols (APs)	■
	Quinoline	■
	Phthalates	■

- Meet AFIRM (Apparel and Footwear International RSL Management) requirements
- Meet current EU regulatory requirements
- Prohibited

Case

Supply Chain Wastewater Management and Chemical Management Project

Bosideng requires suppliers to identify and manage the wastewater generated during production and operations, ensuring its effective collection, treatment and compliant discharge. The company also advocates, through its updated *Supplier Cooperation Manual*, that suppliers prioritize environmentally friendly, low-energy, low-pollution, non-toxic materials and production processes with high resource utilization.

Since completing the construction of its down wastewater treatment and reuse facility in 2015 and upgrading the system's automatic control capabilities, one of our core down suppliers has increased its wastewater treatment capacity by 20% and achieved a wastewater recycling rate of over 95%, significantly reducing wastewater discharge and freshwater intake. The company has also fully implemented a low liquor-ratio washing process, reducing the liquor ratio from 1:45-60 to below 1:15, and adjusted the rinsing parameters to cut down the number of rinsing cycles. In addition, it has introduced eco-friendly auxiliaries free of harmful substances such as APEO as well as low-energy materials, and applied fluorine-free water repellents in down processing, reducing pollutant emissions and chemical consumption at the source.



Supplier wastewater management project

Digital Intelligence Transformation

Digital Management Platform

In 2026, Bosideng comprehensively upgraded the development of its digital management platforms. Through the deployment of the Group ESG digital management platform, the Employee Low-Carbon Management Platform, and the Product Carbon Footprint Platform, the Group has brought multiple scenarios, including retail stores, logistics, office operations and employee engagement, under unified management.

The Employee Low-carbon Management Platform was officially launched in July 2026, providing a digital solution to measure and manage carbon emissions associated with employees' daily commuting and business travel. The platform also integrated various low-carbon engagement initiatives, including green commute check-ins, Clean plate campaign check-ins, paperless office practices, waste recycling, and the recycling of used items, guiding every employee to contribute to the Group's carbon reduction efforts. Every participation in these activities is recorded and converted into measurable and traceable carbon reduction data in accordance with national and international carbon reduction accounting methodologies, supporting the transformation of low-carbon awareness from a shared aspiration into refined corporate

management practice.

During the Year, the Group innovatively and independently developed a product carbon footprint platform. By embedding a standard carbon emission factor database and supporting integration with the BOM (Bill of Materials) from the ERP system and the production process routes from the Supply Chain Management System, the platform utilizes intelligent carbon emission factor matching technology to calculate, at each stage, the carbon footprint value of each product throughout the entire value chain, from raw material procurement and manufacturing to finished product delivery, providing data support for refined product-level carbon emission management.

Supply Chain Digital Management

To comprehensively ensure supply chain stability and operational efficiency, Bosideng has established a standardized supplier onboarding and management system covering the entire process, systematically encompassing key stages such as targeted sourcing, due diligence on qualification review, tripartite review, supplier registration, commencement of cooperation, and performance evaluation. In June 2025, the Group independently developed and officially launched its ESG digital management platform, which strengthens value

chain ESG risk monitoring, early warning, and performance management to enhance supply chain transparency, risk response capability, and overall resilience-leveraging digital technologies to enhance the Group's ESG management capabilities and fostering a more efficient, transparent, and responsible ecosystem across the entire value chain.

In FY2025/26, the Group have achieved 100% ESG performance traceability for our core suppliers, including energy consumption and carbon data, and security due diligence on core suppliers is completed to strengthen supply chain security controls. Going forward, the Group will continue to expand the coverage of its digital ESG management platform, enhance suppliers' environmental and social risk management capabilities, and empower more suppliers to advance their green and low-carbon transition, jointly strengthening the long-term resilience and sustainable competitiveness of the supply chain.

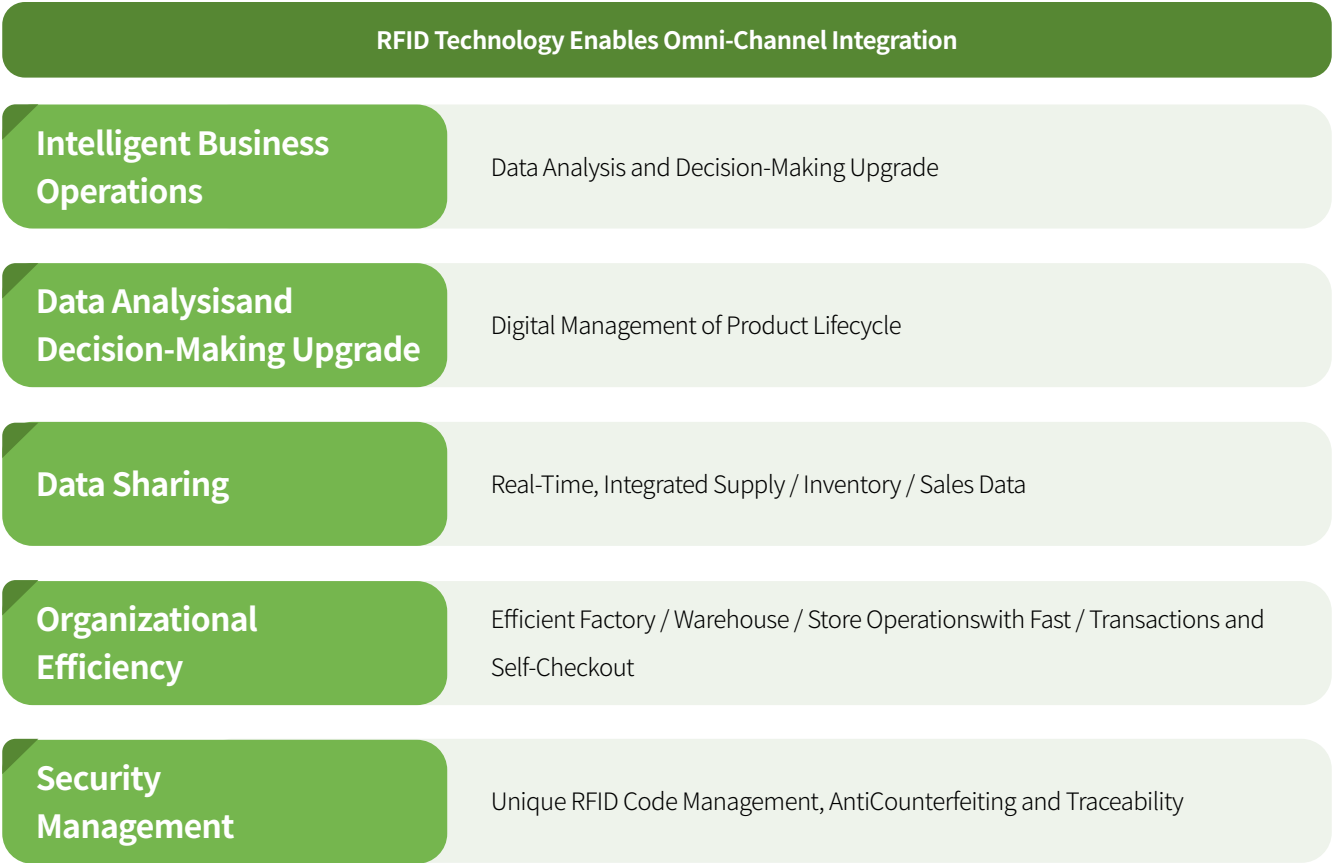
Intelligent Warehousing and Logistics

Beyond its potential impact on raw materials and production, extreme weather may also disrupt regional transportation, delay order fulfillment, and cause mismatches between inventory supply and demand. To enhance the flexibility of its logistics network in responding to localized disruptions

and demand changes, Bosideng continuously advances the digitalization and intelligent upgrading of its warehousing and logistics operations.

Relying on the self-developed ICC (Inventory Computing Center) and OPC (Order Processing Center) systems, the Group matches orders, inventory, and logistics resources in real time, and generates task instructions based on the "proximity principle" according to the real-time distances between product and consumer geographic coordinates, which are then dispatched to warehouses, O2O stores, and courier partners. During transportation, the system comprehensively considers factors including order flow volume, available transportation capacity, costs, and delivery timelines to match orders with suitable delivery solutions, and monitors stages such as collection, sorting, transit, and delivery receipt. This mechanism enhances the Group's visibility into inventory and logistics status across different regions. When a localized area is affected by abnormal weather or logistics disruptions, real-time inventory information and multi-node fulfillment capabilities help the Group more quickly identify available inventory and alternative fulfillment resources, supporting cross-regional allocation and order re-matching, thereby reducing the impact of a single disrupted node on overall order fulfillment.





Bosideng's self-developed "Intelligent Apparel Warehousing IoT Flexible Supply Chain Solution" has achieved significant technological results and operational benefits. This solution has obtained 10 invention patents, 12 utility model patents, and 46 software copyrights. In terms of business response, this solution achieves rapid order response and intelligent replenishment, shortens production and delivery cycles to 7-14 days, and increases replenishment frequency beyond 8 cycles during peak seasons. In terms of operational efficiency, it reduces personnel by 50%, improves production efficiency by 17%, enhances inventory turnover by 16%, and boosts warehouse utilization by 18%. These capabilities not only improve routine operational efficiency, but also enhance the Group's ability to swiftly adjust production, inventory, and distribution arrangements in response to regional demand fluctuations, supply delays, and logistics disruptions caused by climate change.





04

Impact, Risk and Opportunity Management

Bosideng continues to integrate climate-related risks and opportunities into the Group's comprehensive risk assessment and management system, with ongoing monitoring and dynamic assessment based on changes in the internal and external environment. By systematically identifying potential climate impacts on business operations and long-term development, the Group promptly adjusts risk responses while managing potential challenges, also focuses on development opportunities arising from the climate transition, continuously strengthening operational resilience and sustainable development capabilities.

As the Group's highest-level direct management body for climate change, the Sustainability Steering Group works with relevant departments annually on dedicated climate risk management, identifying risk types, assessing potential impacts, and reviewing existing responses and areas for further improvement; related work and recommendations are reported to the Board annually. The Chairman of the Board oversees the climate risk management plan and reviews potential climate risk impacts on the Group's strategic planning, providing strategic oversight of relevant risks.

■ Climate Risk Management Process

Bosideng systematically manages climate-related risks that may affect business operations and long-term development through risk identification, assessment and prioritization, response implementation, and tracking and improvement. The Group combines qualitative and quantitative methods for risk assessment, with the Sustainability Steering Group coordinating climate risk management and engaging relevant business and functional departments as needed to ensure effective linkage across risk identification, analysis, response and subsequent assessment.

Climate Risk Identification Process

Bosideng continues to identify climate-related risks through a combination of "top-down" and "bottom-up" approaches. From a "top-down" perspective, the Sustainability Steering Group reviews industry research, peer disclosures and climate-related publications to assess external climate trends and potential impacts, identify short-, medium- and long-term climate risks the Group may face, and analyze their relevance to business operations. From a "bottom-up" perspective, the Steering Group reviews the Group's annual material issues and occurred risk events to further assess their links to climate factors, supplementing and validating the climate risk identification results.



Climate Risk Assessment and Prioritization Process

Bosideng employs a dual approach with both qualitative and quantitative methods to assess and prioritize the types of climate risks identified. The Sustainability Steering Group determines the methodology for quantifying the probability of risk occurrence and the potential impact based on different risk types and ensures the assessment process is supported by sufficient data. When necessary, the Sustainability Steering Group coordinates with other relevant departments to participate in the risk assessment, ensuring its comprehensiveness and accuracy.



Climate Risk Response Process

For identified key climate risks, the Sustainability Steering Group works with business departments to systematically review the Group's existing risk mitigation measures. It also draws on industry reports, peer disclosures and climate-related publications to identify leading risk management practices and benchmarks the Group's current measures against industry best practices to assess the completeness of its climate risk response system, identify areas for improvement and develop targeted improvement measures. During implementation, Bosideng continuously tracks the effectiveness of response strategies, regularly evaluates actual results, and further optimizes and improves relevant measures based on the assessment results.



Climate Risk Assessment Framework

For identified climate risks, Bosideng continues to apply its climate risk assessment framework across four dimensions-Occurrence Time & Impact Cycle, Occurrence Probability, Degree of Impact on Strategy, and Degree of Impact on Profitability-to assess the potential impacts of different risk categories on the Group's business strategy and financial condition, providing a basis for climate risk management and helping to optimize risk management.

Occurrence Time & Impact Period

1

Based on the Group's business characteristics, value chain layout and climate risk and opportunity assessment requirements, Bosideng divides the assessment horizon into three periods: short term: 0-6 years; medium term: 7-14 years; and long term: 15 years and above. The Group also focuses on two key time points, 2038 and 2050, in its climate scenario analysis. 2038 is Bosideng's target year for achieving net-zero emissions in its operations, while 2050 aligns with the global net-zero vision of the *Paris Agreement*.



Occurrence Probability

2

Determine the likelihood of risk occurrence based on the selected climate scenarios:

For physical risks:

- Under the high-emission scenario (SSP5-8.5), the global economy remains highly dependent on fossil fuels, high-carbon energy technologies continue to dominate, international cooperation is relatively weak, extreme weather events become more frequent, ecosystem degradation intensifies, and societal adaptive capacity is constrained. Therefore, physical risks such as extreme heat, extreme weather, water scarcity and ecosystem destruction are relatively more likely to occur;
- Under the low-emission scenario (SSP1-2.6), the world gradually follows a sustainable development pathway, low-carbon technologies develop rapidly, supported by proactive land-use management, and overall societal adaptive capacity is relatively strong, keeping physical risk exposure comparatively manageable.

For transition risks:

- The NZE 2050 scenario assumes that the global energy sector achieves net-zero carbon dioxide emissions by 2050, limiting global warming to within 1.5°C ;
- IEA STEPS is based on policies already implemented or explicitly announced by countries, reflecting the development direction of the energy system under current trends.

Degree of Impact on strategy

3

Analyze the impacts on the Company's strategic dimensions:

- Impact from changes in key asset layout, relocation, damage, etc.;
- Impact from changes in consumer purchasing needs and value orientation;
- Impact on supply chain and operations due to changes in raw material supply and production-sales cycles;
- Impact from changes in product production and delivery timeliness;
- Impact from changes in employee health and safety and labor force vulnerability;
- Impact from increased regulatory pressure and higher information disclosure requirements.

Degree of Impact on Profitability

4

Analyze the impact on the company's profitability:

- Impact on business model;
- Impact on company product supply-demand and pricing;
- Impact on company assets, operations, R&D, expenses, and overall cost structure and profitability;
- Impact on revenue stability and sustainability;
- Impact on company reputation and brand value;
- Impact on market competitive position and barriers to entry.

■ Climate Opportunities Management Process

Climate Opportunities Management Process

While climate change brings potential risks, it also creates new opportunities for corporate green transition and long-term development. Alongside the ongoing identification and management of climate-related risks, Bosideng also monitors development opportunities arising from climate change. Each year, based on changes in its business layout, strategic planning, industry development and policy trends, the Group identifies climate-related opportunities through internal discussions and expert consultation, and continuously assesses their relevance to its business development. The Group further incorporates climate-related opportunities into systematic assessment, analyzing their potential impacts on business, strategy, the value chain and financial performance, and continuously explores pathways to integrate these opportunities into its future development based on the assessment results.



Factors Influencing the Assessment of Climate Change Opportunities

Based on the Group's business characteristics and climate trends, Bosideng identifies climate-related opportunities across Energy Utilization, Products and Services, Market, Strategy and Reputation, with further focus on the potential positive impacts of improving energy efficiency, clean energy utilization, innovative products and services, expanding into new markets, enhancing climate resilience, innovation of digital intelligence, and high ESG rating on the Group's development.

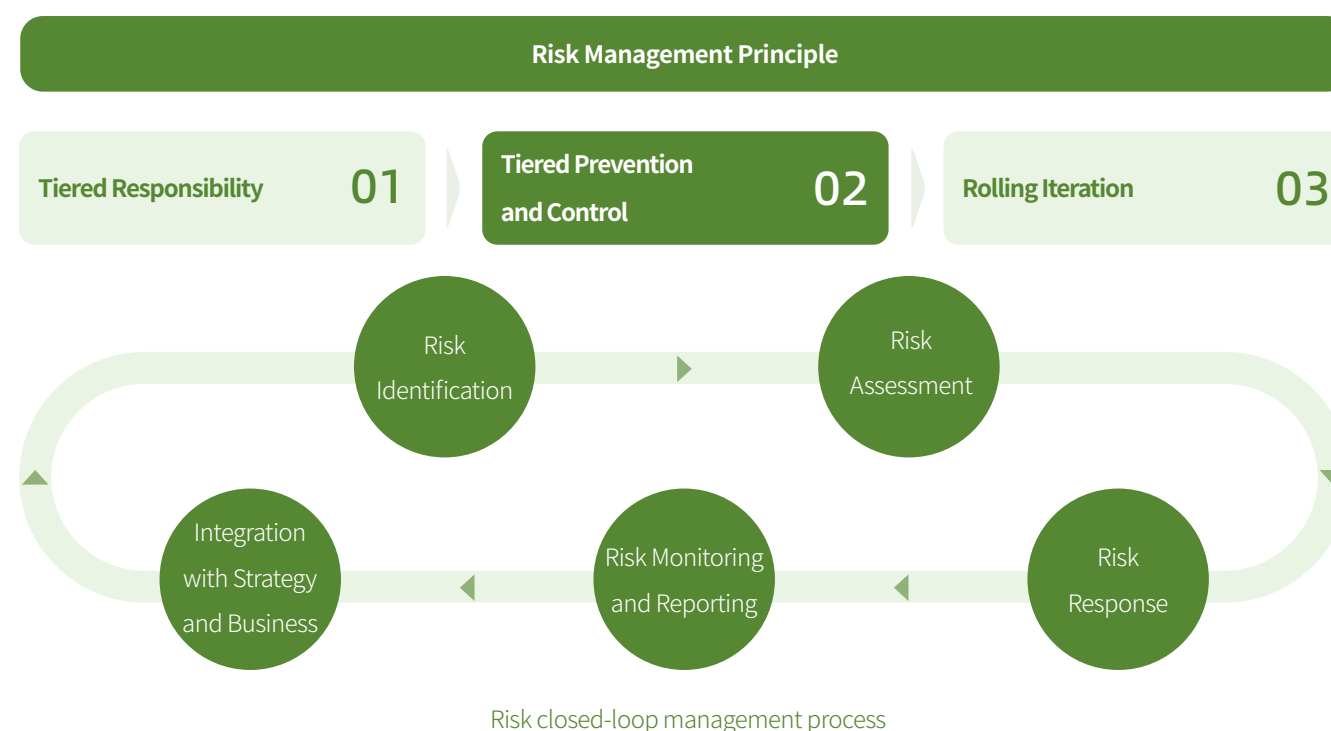
Opportunity Category	Impact Factor	Opportunity Management Approach
Energy Utilization — 	Improving energy efficiency	- Continuously improve the efficiency of energy and other resource use through energy-saving technological upgrades and management optimization; - Reduce energy consumption and carbon emissions in logistics and transportation through new energy vehicles, route optimization, and smart logistics and warehousing; - Continuously strengthen supplier environmental and energy management requirements to drive carbon reduction and energy conservation across the value chain.
	Clean energy utilization	- Continuously assess policy opportunities related to new energy and carbon reduction, including clean energy policy support and potential changes in carbon taxes and carbon trading costs; - Actively explore clean energy sources such as solar and wind power to reduce dependence on fossil fuels and support the achievement of the Group's carbon targets.
Products and Services — 	Innovative products and services	- Increase R&D investment in eco-friendly fabrics, sustainable materials and green products, and continuously develop products suited to diverse climate conditions; - Ensure product quality and extend product life through repair, maintenance and consumer education on product use; - Integrate the principles of reduction, reuse and recycling into product design, raw material use, packaging and related stages; - Continuously improve product recycling and reuse pathways to enhance material circularity.
Market — 	Expanding to new markets	- Design and promote products suited to local climate conditions in overseas emerging markets to expand new market space; - Take measures to reduce environmental footprint, continuously build a responsible corporate brand image and attract more environmentally conscious consumers.
Strategy — 	Enhancing climate resilience	- Build a more flexible and resilient supply chain system to withstand extreme weather and natural disasters and ensure stable production and supply; - Improve the emergency management system by developing emergency production plans and logistics arrangements to strengthen response capabilities and reduce potential losses from sudden climate events.
	Innovation of digital intelligence	Increase investment in key areas such as smart manufacturing, smart logistics and smart merchandise management to improve operational efficiency through digitalization and intelligentization.

■ Integration of Climate Risks and Opportunities

Bosideng continues to align climate and other sustainability issues with the Group's overall risk and strategic management mechanisms, integrating climate-related impacts, risks and opportunities into existing ESG and comprehensive risk management processes to enable systematic management from identification and assessment through prioritization, response, monitoring and reporting.

At the ESG management level, the Group assesses and categorizes sustainability-related impacts, risks and opportunities through its issue identification, assessment and prioritization mechanism, considering factors including degree of impact, urgency, industry trends and regulatory requirements. For material issues, the Sustainability Steering Group further defines objectives, action plans and responsibilities, regularly reviews issue developments and management effectiveness, and coordinates related resource allocation. As a key sustainability issue for the Group, climate change and its related risks and opportunities are also incorporated into this mechanism. In accordance with relevant Stock Exchange guidance, the Group identifies and assesses climate-related risks and opportunities and analyzes their potential impacts on business operations, strategy, the value chain and financial performance. The Sustainability Steering Group monitors, reviews and prioritizes material climate-related risks and opportunities, with the results submitted to the Board for review to inform the Group's strategic and resource allocation decisions.

At the comprehensive risk management level, the Group follows the principle of "tiered responsibility, tiered prevention and control, and rolling iteration", integrating climate-related risks into a closed-loop management process of "Risk Identification—Risk Assessment—Risk Response—Risk Monitoring and Reporting—Integration with Strategy and Business." The Group scans and identifies risks that may affect its business and operations, assesses their impact and likelihood using criteria developed by management, prioritizes risks based on the assessment results, and determines risk management strategies and internal control procedures. At the same time, it continuously monitors and regularly reports risks, promptly revising management strategies when significant changes occur in the internal or external environment, thereby maintaining dynamic alignment between risk management, business development and strategic objectives.



A man and a woman are standing on a rocky, moss-covered outcrop. The man in the foreground is wearing a dark grey tactical jacket with a black strap across his chest and large black goggles. The woman behind him is wearing a tan tactical jacket, black shorts, and black boots, also wearing goggles. In the background, a city skyline with tall buildings is visible under a dark, overcast sky. A large green number '05' with a white outline is positioned on the left side of the image.

05

Metrics and Targets

Climate change presents risks to the economy, society and ecosystems. As a leading Chinese down apparel company, Bosideng actively responds to China's "Dual Carbon" Goals. The Group integrates climate action into operations and advances sustainable transformation across its value chain.

Carbon Targets

Bosideng attaches great importance to the challenges posed by climate change and is committed to playing a leading role in the industry's low-carbon transformation. Guided by the SBTi framework, and taking into account climate trends, industry pathways and its technological capabilities, the Group has set the target of "achieving net-zero emissions in its operations by 2038". Going forward, the Group will drive carbon reduction across the entire value chain through technological innovation and strategic investment, deepen its low-carbon operations system, and work with all stakeholders to build a sustainable fashion industry ecosystem, moving steadily toward a new stage of green, low-carbon, high-quality development.

Aligned with the 1.5° C temperature goal of the *Paris Agreement* and developed with reference to the ISO Net Zero Guidelines and the science-based target requirements of SBTi and CDP, the Group's climate target takes into account key elements including coverage, base year, target year, reduction magnitude, average annual reduction rate and residual emission limits, and covers more than 95% of the Group's Scope 1 and Scope 2 emissions. The target is absolute: reducing GHG emissions by over 90% at an average annual decarbonization rate of 6%, with FY2022/23 as the base year, applied across the Group's entire operations.

The Sustainability Steering Group led the target-setting process, which was approved by the Board. Target progress is monitored annually using greenhouse gas inventory data. For residual emissions-the greenhouse gas emissions that remain after all possible abatement measures have been implemented (typically no more than 5% to 10% of baseline emissions)—we will achieve balance by investing in high-quality carbon removal projects within the value chain or by using carbon-removal-based offsets and carbon-removal-based credits. The Group conducts an annual greenhouse gas inventory within its organizational and reporting boundaries, based on which it monitors changes in greenhouse gas emissions and the progress of reduction measures. Meanwhile, the Group is currently carrying out the inventory and accounting of total emissions for the base year and the reporting year, and will subsequently set a formal gross emissions target and announce it publicly; at that time, the Group also plans to seek third-party verification to ensure data accuracy and transparency.

2030



- Low-carbon fabrics usage rate reaching 40%
- Enhancing the efficiency of "integrated operations of merchandise" to further reduce overproduction and increase the utilization of raw materials
- Optimizing transportation routes, improving transportation efficiency, and exploring new transportation methods constantly

2035



- Green electricity in operation accounting for over 60%
- Building energy efficiency improved by over 30%
- Actively supporting over 80% of core suppliers and upstream and downstream partners to improve energy efficiency by 30%

2038



- Achieving net-zero emissions in its operations
- Green electricity in operation accounting for 100%
- Low-carbon fabrics usage rate reaching 80%
- Continuously exploring methods for product recycling

During the reporting period, Bosideng voluntarily canceled 1,509 Verified Carbon Units (VCUs) under the Verra standard, equivalent to approximately 1,509 metric tons of CO₂ equivalent. The Group's reduction strategy currently prioritizes actual reductions in its own operations and value chain, and no detailed plan for carbon credit use toward the net-zero target has yet been formulated; the cancellation of these 1,509 VCUs is voluntary and does not form part of a systematic arrangement within the net-zero pathway. As the reduction pathway progresses, the Group will assess the specific role of, and level of reliance on, carbon credits in offsetting residual emissions, and will disclose the types of credits, the third-party programs under which they are verified or certified, and their credibility once the plan is defined.



Bosideng Voluntary Cancellation Certificate of VCUs

■ Greenhouse Gas Emissions

Since FY2020/21, Bosideng has incorporated greenhouse gas (GHG) emissions into routine management, systematically conducting annual carbon inventories. In FY2025/26, the Group engaged an independent third-party certification body to perform full-scope verification of the Scope 1, Scope 2 and Scope 3 GHG emissions of its branded down apparel business in the Chinese Mainland (covering office premises, logistics parks and retail outlets), and obtained ISO 14064-1:2018 reasonable assurance certification. To strengthen value chain collaboration, the Group works to improve the transparency of upstream and downstream carbon data and has established an annual mechanism for tracking and analyzing supplier energy consumption and emissions data, supporting the supply chain's smooth transition to green energy. During the reporting period, the Group's primary GHG emission sources identified were purchased goods and services, use of sold products, and purchased electricity.

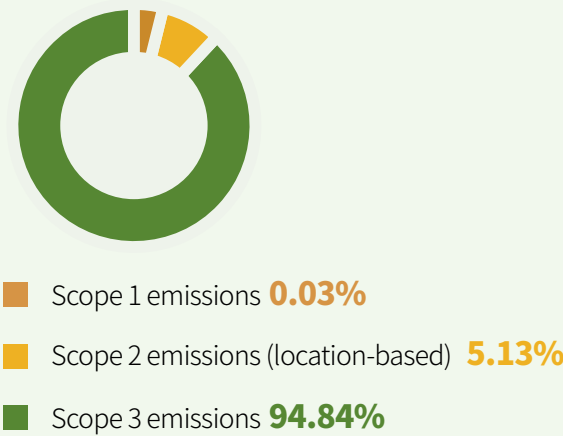
Indicator	FY2025/26	FY2024/25	FY2023/24
Scope 1 and 2 Emissions (Location-Based) metric tons of CO ₂ equivalent	63,828.5	51,605.2	45,714.9
Scope 1 and 2 Emission Intensity metric tons of CO ₂ equivalent/ RMB million revenue	3.1	2.8	2.7
Scope 1 Emissions metric tons of CO ₂ equivalent	330.1	244.0	140.9
Scope 2 Emissions (Location-Based) metric tons of CO ₂ equivalent	63,498.4	51,361.2	45,574.0
Scope 2 Emissions (Market-Based) metric tons of CO ₂ equivalent	62,655.8	48,673. 9	44,616.1
Scope 3 Emissions metric tons of CO ₂ equivalent	1,173,180.4	1,181,356.5	1,249,652.6

1. The Scope 1, Scope 2 and Scope 3 greenhouse gas emissions data disclosed in this report are all calculated in accordance with the *Greenhouse Gas Protocol* (GHG Protocol) and ISO 14064 standards. Scope 1 and Scope 2 GHG emissions (location-based) are calculated using the *GHG Protocol: Corporate Accounting and Reporting Standard*, covering Bosideng's headquarters and self-operated Bosideng branded down apparel retail stores (including specialty stores and concessionary retail outlets), logistics centers and warehouses in the People's Republic of China. The organizational boundary for GHG emissions is determined using the operational control approach, whereby emissions arising from operations, facilities and emission sources over which Bosideng has operational control during the reporting year are included in the GHG inventory. The reported GHG emissions include CO₂, methane (CH₄) and nitrous oxide (N₂O), which are converted into CO₂e. Scope 1 emissions cover GHG emissions from sources owned or controlled by Bosideng, including the combustion of fuels from stationary and mobile sources, and are calculated using applicable emission factors under the *Guidelines for the Preparation of Provincial Greenhouse Gas Inventories (2025 Edition)*, *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 cover "energy indirect" GHG emissions associated with purchased electricity of Bosideng, and are calculated using applicable emission factors published by the Ministry of Ecology and Environment and the National Bureau of Statistics. The above calculation method and emission factors were selected based on internationally recognized standards and officially published data in China to ensure the compliance, credibility and comparability of the calculation results. During the Reporting Period, there were no material changes to the measurement approach, inputs and assumptions for greenhouse gas emissions.

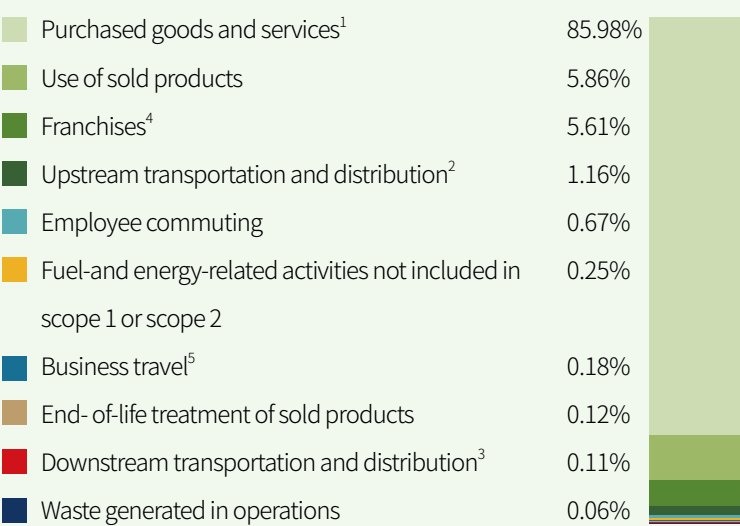
2. The Group has identified and assessed the 15 Scope 3 categories in accordance with the GHG Protocol. The Scope 3 categories included in the accounting for this report are: Category 1 "Purchased goods and services", Category 3 "Fuel- and energy-related activities not included in scope 1 or scope 2", Category 4 "Upstream transportation and distribution", Category 5 "Waste generated in operations", Category 6 "Business travel", Category 7 "Employee commuting", Category 9 "Downstream transportation and distribution", Category 11 "Use of sold products", Category 12 "End-of-life treatment of sold products" and Category 14 "Franchises".



Proportion of Greenhouse Gas Emissions



Proportion of Scope 3 Greenhouse Gas Emissions



- 1. Including emissions from down and fabric production and garment processing.
- 2. Including pre-sale inbound logistics, outbound logistics, transport between Company-owned facilities, outsourced warehouse operations and post-sale express deliveries.
- 3. Including emissions from agent warehouse operations.
- 4. Including emissions from the Group's franchise stores.
- 5. Including business travel emissions from the branded down apparel businesses of Bosideng Down Wear Limited and Bosideng International Fashion (China) Limited, calculated using emission factors from the ZEROlab of the CCM CSR Promotion Center and Watershed's Comprehensive Environmental Data Archive.



Raw Material Procurement Indicators

Indicator	FY2025/26	FY2024/25	FY2023/24
Number of Tier 1 Suppliers	168	181	166
Number of Suppliers Other Than Tier 1	176	168	178

The Group identifies down, fabrics and accessories as priority raw materials based on product composition, procurement volume and potential environmental and social impacts. It assesses their implications for supply stability, procurement costs, product compliance and brand reputation.

Priority Raw Materials and Environmental/Social Factors	Related Business Risks or Opportunities	Management Strategy
Down  Epidemic Risk Environmental Protection Policies Social Initiatives	Risks Epidemic, extreme weather and changing farming conditions may affect down supply, leading to shortages, price volatility or unstable delivery. Non-compliance with animal welfare, safety or traceability requirements may create compliance and reputational risks Opportunities Certified down with consistent quality and traceability helps address consumer concerns about safety, quality and responsible sourcing, enhancing supply stability and product trust	- Prioritise certified down - Strengthen the management of down quality, source compliance and traceability through mechanisms such as raw material traceability, incoming inspection and supplier management - Establish long-term arrangements with large-scale, compliant farmers or suppliers - Explore alternative filling materials and related product applications
Fabric (mainly composed of polyester fibers and polyamide)  Climate and Raw Material Price Volatility Environmental and Chemicals Policies Resource Consumption and Circularity Consumer Trends	Risks Volatility in petroleum-based materials and commodity prices may increase procurement costs. Stricter carbon, chemicals and wastewater requirements may increase compliance and technology-upgrade investment Opportunities Recycled, bio-based and other low-carbon materials can reduce reliance on fossil resources, lower the life-cycle environmental impact of products, and respond to consumer demand for low-carbon and circular products, supporting product innovation	- Prioritise materials complying with GRS, RWS and other applicable environmental or social responsibility standards, and strengthen supply chain chemical management - Diversify sourcing to reduce exposure to individual material or supplier risks - Increase investment in green fabric R&D and application - Strengthen supplier collaboration, information transparency and responsiveness
Accessories (primarily zippers and related components)  Reliance on Commodity Goods Environmental Compliance Labor and Geopolitical Factors	Risks Changes in metal, petroleum-based material and energy prices may increase costs. Floods, typhoons and other disasters may disrupt production or logistics, affecting quality and delivery Opportunities Adopting recycled, recyclable or certified materials and improving the durability and traceability of accessories helps reduce compliance risks, lower resource consumption and strengthen supply chain resilience	- Mitigate commodity price volatility through centralised procurement and long-term cooperation arrangements - Include environmental, labour and quality requirements in supplier onboarding and audits - Encourage recycled, biodegradable and recyclable materials - Improve supply risk identification and early-warning mechanisms for key accessories

Priority Raw Materials

Down



Fabric



Zippers

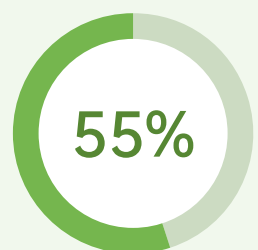


Certification Standards, Targets, and the Certification Ratio for the FY 2025/26

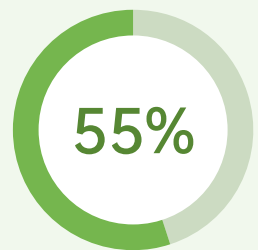
Bosideng is committed to building a responsible supply chain system and procures down certified to the RDS. The standard covers poultry farming through down collection, prohibits live-plucking and requires responsible farming practices. Its traceability mechanism improves supply chain transparency and reduces reputational risks from upstream non-compliance. In FY2025/26, the Group achieved 100% RDS-certified down procurement and 100% RDS certification coverage among relevant suppliers.



Bosideng continues to explore bio-based materials and recycling technologies across the value chain. Its targets are to achieve a 40% utilization rate of low-carbon fabrics in all product lines by 2030 and 80% by 2038, while working to raise terminal product recycling rate to more than 30%. The Group has introduced GRS-certified fabrics in response to circular economy policies and demand for plastic reduction. GRS sets requirements for recycled fibre content and traceability. In FY2025/26, the procurement proportion of GRS-certified fabrics reached 55%, with a target of reaching 60% by 2028. 90% of fabrics produced by the Group's associated factories obtained GRS certification for recycled materials.



Bosideng prioritises zippers certified by Textile Exchange. The certification supports compliance with environmental standards, promotes recycled plastic content and reduces exposure to petroleum-based commodity price volatility. In FY2025/26, the Group's procurement proportion of Textile Exchange-certified zippers reached 55%, and it has committed to driving the certification ratio of its core suppliers to 60% by 2028, working hand in hand with upstream and downstream partners to build a green ecosystem.





Outlook

2026 marks Bosideng's 50th anniversary and a new starting point for the next stage of high-quality development. At this new stage, Bosideng will further integrate sustainability into its long-term brand strategy and global operations, strengthening its long-term competitiveness through more systematic climate action, responsible value chain management and sustainable product innovation. We will continue to provide consumers worldwide with warm, comfortable and sustainable products, while creating long-term value for investors and stakeholders.

As global climate action continues to deepen, corporate low-carbon transition is moving from target commitments toward systematic implementation. Focusing on the target of "achieving net-zero emissions in its operations by 2038", Bosideng will continue to optimize its energy mix and operational energy efficiency, expand the use of clean energy, strengthen carbon management across the supply chain and enhance collaboration with upstream and downstream partners. The group will further embed carbon reduction requirements into key stages including procurement, production, logistics and operations, continuously strengthening climate governance capabilities and resilience across the entire value chain.

At the same time, Bosideng will further integrate low-carbon and climate adaptation concepts into product R&D and innovation, continuously advancing the use of sustainable materials, circular design, product carbon footprint management and functional innovation for diverse climate scenarios. By reducing environmental impacts across the product lifecycle while better responding to temperature fluctuations, extreme weather and diverse consumer needs, we will provide consumers worldwide with products that combine quality, functionality and sustainable value.

On the consumer side, Bosideng will continue to develop green retail and green consumption scenarios. Through clearer and more credible sustainability information and diversified consumer engagement, we will help consumers better understand and choose environmentally friendly products, while shifting the brand's ESG narrative from one-way communication toward two-way interaction and co-creation. By connecting product innovation, consumer experience and sustainable lifestyles, we will further enable consumer participation in the green transition and co-create sustainable value with consumers.

Targeting the global market, Bosideng will take international market access and long-term operating requirements as key drivers, continuously enhancing its governance and compliance capabilities in product environmental footprint management, supply chain due diligence, and climate and sustainability disclosure. We will further embed these requirements throughout product R&D, supply chain management and overseas operations, transforming ESG capabilities from compliance management into capabilities that support global market expansion and business growth at scale.

Looking ahead, Bosideng will continue to uphold the "Sustainable Fashion" philosophy and deepen its "1+3+X" ESG strategic framework. Leveraging digital capabilities, the Group will strengthen climate risk identification, supply chain collaboration and carbon management across the value chain, while continuing to build consistent, credible and verifiable sustainability value propositions around key topics including climate action, responsible supply chains, green consumption, product innovation and circularity. Taking its 50th anniversary as a new starting point, Bosideng will further position ESG as an important link connecting products, consumers, the value chain and global markets. While strengthening business and supply chain resilience, we will enable the brand to be better understood, recognized and chosen in global markets, and further integrate the green and low-carbon transition with high-quality corporate development.

Appendix

Verification Statement

ISO14064-1



萬泰認證

Greenhouse Gases Emissions Verification Statement

The GHG inventory report of the following organizations have been verified by WIT in accordance with the requirements of ISO14064-3:2019 to confirm that they meet the requirements of the verification guidelines, achieve the reasonable assurance level and meet the materiality requirements.

BOSIDENG DOWN WEAR LIMITED
Address: Bosideng Industrial Park, Guli Town, Changshu City, Jiangsu Province, P. R. China

1. GHG statement released date: May.28,2026 (Rev.V1.0)
2. GHG statement based on a specific period: from Apr.1st 2025 to Mar.31th 2026,
3. Verification criteria: ISO 14064-1:2018
4. Organizational boundary: All GHG emission and removal facilities of THE WHOLESALING AND RETAILING OF APPAREL PRODUCTS AND RELATED ACTIVITIES IN BOSIDENG DOWN WEAR LIMITED.The organization boundary is determined by the organization in accordance with the principle of operational control.
5. Business and activitie: GHG EMISSION RELEVANT TO THE WHOLESALING AND RETAILING OF APPAREL PRODUCTS AND RELATED ACTIVITIES IN BOSIDENG DOWN WEAR LIMITED.
6. Types of greenhouse gases included: ☒CO₂☒CH₄☒N₂O☐HFCs☐PFCs☐SF₆☐NF₃
7. GHG emissions 1237008.86 (location-based)/ 1236166.29 (market-based)tCO₂e, GHG deductions0.00tCO₂e, GHG removals 0.00tCO₂e, GHG offset 1509.00tCO₂e, The details are as follows:

Category 1	Category 2	Category 3	Category 4	Category 5	Category 6	Total GHG emissions (tCO ₂ e)
Direct GHG emissions (tCO ₂ e)	Indirect GHG emissions from imported energy (tCO ₂ e)	Indirect GHG emissions from transportation (tCO ₂ e)	Indirect GHG emissions from products used by organization (tCO ₂ e)	Indirect GHG emissions associated with the use of products from the organization (tCO ₂ e)	Indirect GHG emissions from other sources (tCO ₂ e)	
330.12	63498.36(location-based)/62655.79(market-based)	24933.39;carbon sink offset credits: 1509, net GHG emissions after offset deduction: 23424.39	1012269.56	70141.28	65836.15	1237008.86 (location-based)/ 1236166.29 (market-based); carbon sink offset credits: 1509, net GHG emissions after offset deduction: 1235499.86 (location-based)/1234657.29 (market-based)

8. The verification purpose, assurance level, materiality, and target users of the GHG Verification Statement are detailed in the Appendix, which is an integral part of this Verification Statement.

Certification Date : Jul/20/2026 Certificate Number : 15/WITGHG2026332

ISO14064-1



萬泰認證

Greenhouse Gases Emissions Verification Statement Appendix

1. Roles and responsibilities
The management of BOSIDENG DOWN WEAR LIMITED(Hereinafter referred to as the "Responsible Party")is responsible for the GHG information system of the organization, the recording and reporting procedures are established and maintained according to the system, including the calculation and determination of GHG emission information and reported emissions.
WIT provides an independent GHG verification opinion on GHG statement provided by the Responsible Party during the reporting period.
According to the ISO14064-3:2019, WIT conducted a third party verification on whether the GHG statement provided by the Responsible Party were in compliance with ISO14064-1:2018 on Jun.2-4th,2026(verification date).
The verification is conducted based on the verification scope, objectives and criteria agreed between the Principal and WIT' on Jun.16,2026(contract date).

2. Purpose of verification
Verify the authenticity of the GHG declaration by the responsible party through an objective evidence review, and confirm that the data stated in the GHG declaration conforms to the principles of relevance, accuracy, completeness, consistency and transparency, and is free from material errors or omissions.

3. Relevant industry and category
02General Manufacturing (physical or chemicaltransformation of materials or substances into new products)

4. Assurance level
The agreed assurance level is reasonable assurance

5. Materiality limit
Based on the demand of the expected users of the GHG statement, the materiality limit for this verification is 5%.

6. Target users of the GHG statement
Relevant stakeholders involved in the operations and activities of the Responsible Party.

Certification Date : Jul/20/2026 Certificate Number : 15/WITGHG2026332



ISO14064-1



MEMBER OF MULTILATERAL RECOGNITION ARRANGEMENT



中国认可 国际互认 环境信息 ENVIRONMENTAL INFORMATION CNAS VV010-EI



General Manager, Wang Xiaodong

Hangzhou WIT Assessment Co.,Ltd.
14 F, Building A, International Sunyard, No.1750 Jianghong Avenue, Binjiang District, Hangzhou

62 Bosideng International Holdings Limited Climate Responsibility Report (2025-2026)

ISO 14001 Certificate



Indexes

IFRS S2 Climate-Related Disclosures		
Dimension	Indicator	Corresponding Chapter
Governance	The governance body (s) (which can include a board, committee or equivalent body charged with governance) or individual (s) responsible for oversight of climate-related risks and opportunities.	Climate Governance Structure
	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Climate Governance Structure, Climate Governance Mechanisms
Strategy	The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	Climate Scenario Analysis
	The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain.	Our Business Model and Value Chain, Climate Scenario Analysis
	The effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan.	Climate Transition Plan and Annual Practices
	The effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning.	Climate Scenario Analysis
	The climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	Climate Resilience, Climate Scenario Analysis

IFRS S2 Climate-Related Disclosures		
Dimension	Indicator	Corresponding Chapter
Risk Management	The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks.	Climate Risk Management Process
	The processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities.	Climate Opportunities Management Process
	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Integration of Climate Risks and Opportunities
Metrics and Targets	Information relevant to the cross-industry metric categories.	Climate Governance Mechanisms, Climate Scenario Analysis, Climate Transition Plan and Annual Practices, Greenhouse Gas Emissions
	Industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry.	Raw Material Procurement Indicators
	Targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets.	Carbon Targets

Implementation Guidance for Climate Disclosures under HKEX ESG Reporting Framework

Dimension	Indicator	Corresponding Chapter
Governance	Skills and Competencies	
	How the body (s) or individual (s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities.	Climate Governance Structure
	Processes and Frequency	
	How and how often the body (s) or individual (s) is informed about climate-related risks and opportunities.	Climate Governance Mechanisms
	Roles and Responsibilities of the Board	
	How the body (s) or individual (s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body (s) or individual (s) has considered trade-offs associated with those risks and opportunities.	Climate Governance Mechanisms, Climate Governance Structure
Governance	Progress Monitoring	
	How the body (s) or individual (s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies.	Climate Governance Mechanisms
	Roles and Responsibilities of Management	
	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate related risks and opportunities, including information about:	Climate Governance Structure, Climate Governance Mechanisms
	i. whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	
	ii. whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	

Implementation Guidance for Climate Disclosures under HKEX ESG Reporting Framework

Dimension	Indicator	Corresponding Chapter
Strategy	Climate-Related Risks and Opportunities	
	(a) Describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	
	(b) Explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	Climate Scenario Analysis
	(c) Specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons-short, medium or long term-the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
	(d) Explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
Strategy	Business Model and Value Chain	
	(a) A description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Our Business Model and Value Chain
	(b) A description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	
Strategy	Climate Resilience	
	(a) The issuer's assessment of its climate resilience as at the reporting date;	Climate Resilience, Climate Scenario Analysis
	(b) How and when the climate-related scenario analysis was carried out.	
Strategy	Financial Position, Financial Performance, and Cash Flow	
	Climate-Related risks and opportunities can affect several aspects of an issuer's financial situation. Examples include:	Climate Scenario Analysis
	- Changes in financial position and impacts on cash flows; - Changes in financial performance and impacts on cash flows.	
Strategy	Strategy and Decision-Making	
	(a) Information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation;	Climate Transition Plan and Annual Practices
	(b) Information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22 (a).	

Implementation Guidance for Climate Disclosures under HKEX ESG Reporting Framework		
Dimension	Indicator	Corresponding Chapter
Risk Management	Risk Identification	
	An issuer should first identify climate-related risks relevant to its business. For details related to the identification of climate-related risks.	Climate Risk Management Process
	Risk Assessment	
	To facilitate an efficient use of resources to manage its most material risks, an issuer should set criteria to assess climate-related risks, such as the likelihood of occurrence, expected impact on the issuer, its adaptability to such risks and the resources and time required to recover from such risks.	Climate Risk Management Process
	Risk Prioritization	
	After determining the risk assessment criteria, an issuer can conduct qualitative evaluation or quantitative scoring to prioritise the most relevant and material risks before deciding how to monitor and manage such risks.	Climate Risk Management Process
	Risk Management	
	After assessing and prioritising climate-related risks, issuers should consider how to monitor and manage such risks. Depending on its risk appetite and ESG management approach, issuers' responses to the same climate-related risk may differ.	Climate Risk Management Process
	Risk Integration	
	Disclosure about risk integration should summarise the issuer's process of assessing, prioritising and managing risks in a coordinated and holistic manner. The goal of integrating climate-related risk management into an issuer's existing overall risk management process is to ensure that the issuer is able to assess and prioritise climate-related risks in a timely manner in order to monitor and manage them.	Integration of Climate Risks and Opportunities
	- Climate governance - Risk inventories alignment - Risk appetite - Tools and reporting	

Implementation Guidance for Climate Disclosures under HKEX ESG Reporting Framework		
Dimension	Indicator	Corresponding Chapter
Indicators and Targets	Greenhouse Gas Emissions	
	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO ₂ equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	Greenhouse Gas Emissions
	Cross-Industry Metrics	
	- Climate-Related transition Risks - Climate-Related physical Risks - Climate-Related opportunities - Capital deployment	Climate Scenario Analysis, Climate Transition Plan and Annual Practices
	Internal Carbon Pricing	
	(a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	/
	Remuneration	
	Whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	Climate Governance Mechanisms
	Industry-Based Metrics	
	Industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-Related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	Raw Material Procurement Indicators
	Climate-Related Targets	
	(a) The qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; (b) Any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	Carbon Targets

SASB Content Index			
	Metric	Unit of Measure	Corresponding Chapter
Management of Chemicals in Products			
CG-AA-250a.1	Discussion of processes to maintain compliance with restricted substances regulations	/	Climate Transition Plan and Annual Practices
CG-AA-250a.2	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	/	Climate Transition Plan and Annual Practices
Environmental Impacts in the Supply Chain			
CG-AA-430a.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits or contractual agreements	Percentage (%)	Advancing Climate-Related United Nations Sustainable Development Goals Climate Transition Plan and Annual Practices
CG-AA-430a.2	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition’s Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	Percentage (%)	Please refer to the Corporate ESG Report for details.
Labour Conditions in the Supply Chain			
CG-AA-430b.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labour code of conduct, (3) percentage of total audits conducted by a third-party auditor	Percentage (%)	Please refer to the Corporate ESG Report for details.
CG-AA-430b.2	(1) Priority non-conformance rate and (2) associated corrective action rate for suppliers’ labour code of conduct audits	Rate	Please refer to the Corporate ESG Report for details.
CG-AA-430b.3	Description of the greatest (1) labour and (2) environmental, health and safety risks in the supply chain	/	Please refer to the Corporate ESG Report for details.
Raw Materials Sourcing			
CG-AA-440a.3	(1) List of priority raw materials; for each priority raw material: (2) environmental or social factor (s) most likely to threaten sourcing, (3) discussion on business risks or opportunities associated with environmental or social factors and (4) management strategy for addressing business risks and opportunities	/	Raw Material Procurement Indicators
CG-AA-440a.4	(1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material that is certified to a third-party environmental or social standard, by standard	Metric tonnes (t)	/
Activity Metrics			
CG-AA-000.A	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Number	Raw Material Procurement Indicators

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