FAQs - Questions from other stakeholders

3. What measures has Bosideng taken to optimize its employee remuneration and benefits system?

Bosideng's remuneration system comprises basic fixed salary, performance bonuses, and allowances. The Group upholds the principles of equal pay for equal work and gender equality, and continues to improve its remuneration and benefits management system based on position value and performance contribution. It seeks to ensure that remuneration standards remain consistent for employees at identical job grades with equivalent performance and commits to providing base salaries above the national minimum wage level.

The Group designs its remuneration structure based on position value. In FY2025/26, employee salaries were reasonably adjusted after taking into account factors including market salary growth, employee performance results, position changes, and promotion outcomes. Salary standards for different job levels were identified through third-party market salary surveys, salary-band adjustments, internal position-value assessments, talent reviews, and total salary budget management.

Performance bonuses: Bosideng provides process bonuses, annual bonuses, and long-term incentives covering a subset of employees. Process bonuses and annual bonuses are granted based on the Company's performance evaluation results, with performance bonuses covering 100% of employees. At the end of each year, the Group sets performance coefficients based on overall organizational performance, departmental performance, and individual performance results, in accordance with the performance appraisal incentive system, to calculate the performance bonuses payable to employees for the year.

Employee benefits: Bosideng continues to improve its benefits framework in accordance with applicable requirements, ensuring that all employees are entitled to social insurance, the housing provident fund, and statutory leave. In mainland China, the Group makes contributions to the 'five social insurance and one housing fund' for 100% of employees. It also provides paid annual leave, marriage leave, maternity leave, paternity leave, childcare leave, medical leave for work-related injuries, bereavement leave, and other statutory and supplementary leave benefits. In other countries and regions where it operates, the Group complies with applicable local laws and regulations and provides employees with Mandatory Provident Fund, pension, or social insurance schemes, as appropriate.

Supplementary benefits: In addition to statutory benefits, the Group provides a broad range of supplementary benefits and allowances based on employees' day-to-day work and living needs. These include high-temperature allowances, maternity allowances, meal allowances, communication allowances, accident insurance, full-attendance bonuses, and seniority allowances. The Group also enhances accommodation support through rental subsidies and applications for talent housing subsidies under the "Happy Residence Project."

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