2025

Chery Automobile Co., Ltd.

Environmental, Social and Governance Report

奇瑞汽车
CHERY AUTO

CONTENTS

About This Report

Report Overview

The 2025 Environmental, Social and Governance Report (the "Report") of Chery Automobile Co., Ltd. is the third Environmental, Social and Governance (ESG) report issued by the Company. The Report provides transparent disclosure of the ESG management strategies, practices, achievements, and performance of Chery Auto and its subsidiaries in 2025. It aims to address the concerns and expectations of various stakeholders, including shareholders, investors, government and regulatory authorities, customers and consumers, employees, business partners, and communities.

Basis for Preparation

The Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (the "ESG Reporting Code") as set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (HKEX). In addition, the disclosures herein also refer to the GRI Sustainability Reporting Standards (the "GRI Standards 2021") issued by the Global Sustainability Standards Board (GSSB) and the 17 Sustainable Development Goals (SDGs) of the United Nations.

Reporting Scope and Boundary

This is an annual report covering the financial year from January 1, 2025 to December 31, 2025 (the "reporting period"). Certain information refers to prior or future years to enhance the comparability and completeness of the Report. The scope of the Report is consistent with that of the annual report. In cases where the information presented differs from the reporting scope, such discrepancies are indicated in the main text.

Explanatory Notes

In the Report, "Chery Auto", "the Company", and "we" all refer to Chery Automobile Co., Ltd. and its subsidiaries. Chery Holding Group Co., Ltd. is referred to as "Chery Holding". All monetary amounts in this Report are denominated in Renminbi. Certain figures and percentages have been rounded, and therefore, the totals shown in some tables may not be the exact sum of the preceding numbers.

Reporting Principles

The preparation of the Report follows the 4 reporting principles outlined in the HKEX ESG Reporting Code, namely: Materiality, Quantitative, Balance, and Consistency.

Materiality	This Report includes stakeholder engagement and materiality assessments to form the basis for identifying key ESG material issues.
Quantitative	This Report presents key environmental and social performance indicators using quantitative data, and offers explanations to outline their purpose and impact.
Balance	This Report adheres to the principle of balance, providing an objective and truthful representation of the Company's ESG management status.
Consistency	Unless otherwise stated, the key indicators and calculation methods in this Report are consistent with those of our ESG report in 2024.

Reliability Statement and Assurance

Chery Auto has engaged TÜV NORD (Hangzhou) Co., Ltd., a subsidiary of TÜV NORD Group, to conduct an external assurance in accordance with Type 2 Moderate Assurance under the AA1000 Assurance Standard (v3) issued by AccountAbility, and Limited Assurance under International Auditing and Assurance Standards Board's ISSA 5000, General Requirements for Sustainability Information Assurance Engagements. The independent assurance statement is included in the "Assurance Statement" section in the Appendix to the Report.

Confirmation and Approval

This Report was reviewed by the Sustainability Management Committee and approved by the Board of Directors on March 18, 2026.

Report Access

This Report is published in three languages: Traditional Chinese, Simplified Chinese, and English. If there are slight differences, the Traditional Chinese version shall prevail. This Report is released in electronic format and can be accessed and downloaded from the official websites of Chery Auto (www.chery-auto.com and www.chery.cn).

Contact Information

The Company highly values stakeholders' opinions and welcomes readers to contact us through the following communication channels. Your feedback will help us further improve our sustainability management performance.

Company Address: No. 8 Changchun Road, Economic and Technological Development Area, Wuhu, Anhui Province, China
Email: sustainability@mychery.com

Message from the Chairman

Yin Tongyue
Chairman of the Board of Directors
Chery Automobile Co., Ltd

The year 2025 marked the successful conclusion of China's 14th Five-Year Plan, as the country's automotive industry entered a pivotal period of opportunity for digital, intelligent, and ecosystem-led transformation. As an industry leader, Chery Auto has proactively capitalized on these historic opportunities, moving decisively to embrace the surge of technological and industrial change. By accelerating the development of new quality productive forces, we are fully committed to creating competitive advantages for high-quality development as we advance toward our vision of becoming an innovation-driven, globally trusted leader in the intelligent mobility ecosystem. In doing so, we are writing an enterprising chapter for Chinese brands.

For Chery Auto, 2025 represented a year of multi-dimensional breakthroughs, and a critical leap toward high-quality development. Connecting the banks of the Yangtze River with the shores of Victoria Harbour, we listed on The Stock Exchange of Hong Kong, embarking on a new journey toward capital globalization. The trust and expectations of our shareholders and investors are the source of our enduring momentum for steady progress. By deepening our focus on core businesses to drive the sustained growth of commercial value, we remain committed to creating broad-based value that empowers the industry and benefits society.

As a China-based automaker with a global reach, Chery Auto remains steadfast in the belief that sustainable commitment is the true essence of high-quality development. On this occasion, we present the 2025 ESG Report to share our sustainability practices and achievements with our shareholders, partners, and stakeholders worldwide.

Strengthening the Governance Foundation for Sustainable Development

Guided by the philosophy of "In somewhere, For somewhere, Be somewhere", Chery Auto is committed to building a more inclusive and resilient global governance system as we accelerate our international expansion. With a steadfast focus on long-term value creation, we systematically integrate sustainability principles throughout our governance structures and into our business decisions. In 2025, by mobilizing internal and external resources and collaborating with global partners, we established the Global ESG Advisory Group, which pools global expertise to empower our sustainability practices. Furthermore, as one of the first signatories to the "Building Sustainable Brands" Visionary Initiative, Chery Auto has embedded sustainability as a core value proposition into our brand identity and corporate values. We work alongside global partners to foster a thriving sustainability ecosystem.

Environmental Stewardship for a Greener Planet

Amidst the accelerating evolution of global climate governance, Chery Auto continuously fortifies our climate management by advancing collaborative carbon reduction across the entire value chain to expedite the low-carbon transition and bolster climate resilience. We actively embrace the green transformation of the global automotive industry by leveraging low-carbon technologies and vehicle products as core drivers to support the development of a green mobility ecosystem. In 2025, we achieved iterative upgrades and breakthrough innovations in core new energy technologies. Notably, the thermal efficiency of our independently developed Kunpeng Sky Optimus dedicated hybrid engine exceeded 48%, thereby anchoring our green development with robust technical strength. Across our five key brands—CHERY, EXEED, JETOUR, iCAR, and LUXEED—we launched a diverse lineup of new energy vehicles (NEVs) (e.g., Chery Fulwin A9L, JETOUR Zongheng G700, iCAR V23, and JAECOO 5) to meet the green mobility needs of different user groups. Furthermore, the Company was awarded China's first Sino-EU Carbon Footprint Data Mutual Recognition certificate. This international validation of our life cycle assessment (LCA) system and carbon footprint data serves as a vital "green pass" for expanding our presence on the global market. In addition, we further deepened our partnership with the International Union for Conservation of Nature (IUCN) to jointly advance Nature-based Solutions (NbS) and participate in projects for ecological restoration and conservation to safeguard our shared planet.

Technology Leadership for Inspiring Mobility

Technology is the bedrock of Chery Auto. With 28 years of technological expertise, we are committed to elevating Chinese automotive brands on the global stage by contributing "Chinese Solutions" to the evolving global automotive industry.

We champion the principle of technological democratization by transforming technical capabilities into tangible user value. Our goal is to ensure that users worldwide enjoy equal access to safe, reliable, and premium yet inclusive mobility experiences. We deliver the beauty of Chinese innovation through inclusive technology, and pave the way for a sustainable mobility future through shared value creation. In 2025, Chery Auto officially launched the Hybrid Technology Open-Source Initiative, an innovative end-to-end incubation system that integrates open-source collaboration, joint R&D, and talent co-development. By sharing advanced technological achievements with a broader range of industry partners, we aim to enable participants to create and share value within our ecosystem. By working together, we are advancing universal technological democratization and driving the automotive industry toward new innovations, greater excellence, and higher aspirations.

Ecosystem Synergy for Shared Value Chain Success

Adhering to the philosophy of "Co-creation, Co-development, Win-win Outcomes, and Shared Value", Chery Auto strengthens collaborative development with value chain partners, including suppliers and distributors. We integrate a sense of responsibility and a long-term perspective on value into our value chain governance, thereby enhancing management across multiple dimensions such as onboarding assessments, risk control, supplier communication, and sustainability capacity-building. To enhance supply chain transparency, we continuously reinforce our responsible sourcing practices and compliance due diligence for upstream suppliers, building a global industrial ecosystem that balances efficiency, resilience, and responsibility. In 2025, we successfully hosted the Chery Supply Chain Ecosystem Annual Conference, further consolidating the global consensus and strengthening end-to-end high-quality delivery capabilities. By strengthening ties across the value chain and empowering partners through collaboration, we continue to cultivate a thriving new ecosystem for the value chain.

Empowering Employees for Greater Growth

Chery Auto views our employees as our most valuable asset. We provide a comprehensive rights and welfare system while also fostering a safe, healthy, diverse, and inclusive workplace that stimulates organizational vitality and innovation. As our global presence expands, we create broader career development platforms by continuously enhancing our organizational resilience and synergy. We align individual growth with the Company's high-quality development to fuel the internal engine driving sustainable development. In 2025, with a core focus on enhancing employees' sense of belonging and satisfaction, Chery Auto strengthened the "Happy Chery" initiative to ensure that the dividends of development benefit every employee. By doing so, we empower the entire Chery workforce to unite and embrace a shared, promising future.

Shared Responsibility for Driving Social Good

As a global corporate citizen, Chery Auto aligns our own development with the well-being of the communities where we operate, leveraging our business as a force for good. Over the years, we have empowered local communities through targeted initiatives in philanthropy, child development, rural revitalization, and the promotion of green lifestyles, thereby fostering mutual benefit and shared growth between the Company and society. In 2025, Chery Auto renewed our global partnership with the United Nations International Children's Emergency Fund (UNICEF), committing an additional USD 6 million to advance global education and bring light to children's futures, linking the world through our founding commitment to social good. Meanwhile, we also pioneered sustainable pathways for community benefit by hosting the 3rd "Ride Green Life" Charity Cycling Event. This initiative, which combines green cycling with public advocacy, continues to amplify the reach of green values on a global scale.

For those with dreams, no journey is too far. As we stride toward high-quality global development, Chery Auto remains rooted in responsibility and fueled by innovation. Steadfast in our commitment to long-termism, openness, and collaboration, we have built a socially responsible mobility ecosystem driven by cutting-edge technology. Together with our global partners, we are heading toward a greener, more inclusive, and more sustainable future.

About Chery Auto

Company Profile

Established in 1997 and headquartered in Wuhu, Anhui Province, China, Chery Automobile Co., Ltd. (STOCK CODE: 9973.HK) is a leading global passenger vehicle manufacturer. Driven by our vision to become an innovation-driven, globally trusted leader in the intelligent mobility ecosystem, Chery Auto prioritizes independent innovation as the foundation of our development. While deepening our presence in the traditional internal combustion engine (ICE) vehicle market, we are also expanding into emerging sectors such as new energy vehicles (NEVs), intelligent connected vehicles (ICVs), shared mobility, and relevant platforms and ecosystems. With a brand portfolio comprising CHERY, JETOUR, EXEED, iCAR, and LUXEED, we provide high-quality automotive products and exceptional mobility experiences to global users through affordable, reliable, and sustainable technology.

Chery Auto has established a comprehensive global R&D, production, and sales network. By leveraging our exceptional innovation, advanced technical expertise, precision manufacturing, and superior service capabilities, we strive to build an internationally competitive brand. As one of the first Chinese independent passenger vehicle brands to export complete vehicles, knock-down (KD) kits, and engines, our business footprint spans more than 130 countries and regions. We are committed to providing safer, greener, and smarter automotive products and services to help global users enjoy high-quality mobility.

In 2025, Chery Auto achieved record-breaking performance, with total annual sales of 2.6314 million vehicles, including 1.2944 million vehicles exported and 826.5 thousand NEVs sold. Looking ahead, we will remain steadfast in our commitment to sustainable development. Guided by the "In somewhere, For somewhere, Be somewhere" globalization strategy, we aim to evolve into a global high-tech ecosystem company favored and trusted by users worldwide, creating a green, intelligent, and inclusive future mobility ecosystem through responsible globalization practices.

Mission	Vision	Values
Be innovative, be brilliant	To become an innovation-driven, globally trusted leader in the intelligent mobility ecosystem	Customer-centric, striver-oriented, entrepreneurship-driven, innovation-led

Europe

United Kingdom, Spain, Poland, Italy, Netherlands, Belgium, Hungary, Czech Republic, Turkey, Serbia……

Americas

Brazil, Mexico, Dominican Republic, Chile, Argentina, Colombia, Venezuela, Ecuador, Peru, Costa Rica……

Asia Pacific

Chinese mainland, Indonesia, Malaysia, Cambodia, Myanmar, Kazakhstan, Uzbekistan, Kyrgyzstan, the Philippines, Australia……

Middle East & Africa

Saudi Arabia, Qatar, Kuwait, Morocco, South Africa, Egypt, Tunisia, Algeria, Libya, Madagascar……

Distribution of R&D centers

2025 Sustainability Milestones

March

Launched the Intelligent Strategy to Democratize Intelligent Driving. Chery Auto hosted the Intelligent Strategy Launch in Wuhu, Anhui Province, centered on the theme of "Unified Intelligence for ICE and EV, A Global Journey Together". During the event, we announced that the Falcon Smart driving intelligent solution would be deployed across all new models of all Chery brands by 2025. This initiative is designed to accelerate our goal of technological democratization, making intelligent technology accessible to everyone, globally, across all energy types, and in all scenarios.

April

Held the Hybrid Night Event. Chery Auto held the Hybrid Night event themed "China's Hybrid Technology, Leading the World Intelligently" in Wuhu, Anhui Province. The Company officially launched its new-generation Kunpeng Super Performance Electric Hybrid technology achievements. In collaboration with China Automotive Standardization Institute, Chery Auto released a Global Hybrid Technology Standard Declaration and announced a global hybrid technology open-source initiative, aiming to make China's hybrid technology benefit the world.

May

Held the Safety Night Event Themed "The Bottom Line". Chery Auto held the Safety Night event themed "The Bottom Line" in Wuhu, Anhui Province. The Company launched its Guardian intelligent safety system and a series of forward-looking safety technologies. During the event, Chery Auto conducted multi-scenario real crash tests, inaugurated the Chery Guardian Safety Club and the AED Golden Four Minutes Public Welfare Alliance, promoting the awareness of safety concepts and the development of emergency rescue capabilities, and strengthening the Company's safety responsibilities in the development of new energy and intelligent technologies.

May

Included in Fortune China's 2025 ESG Impact List. Chery Auto was included in Fortune China's 2025 ESG Impact List, becoming one of only two Chinese automakers to earn this prestigious recognition.

June

Awarded China's First Sino-EU Carbon Footprint Data Mutual Recognition Certificate. At the CATC International Technical Expert Committee Meeting in Barcelona, Spain, the JAECOO 7 was awarded China's first vehicle certificate of Sino-EU Carbon Footprint Data Mutual Recognition. This milestone sets a new paradigm for the "green expansion" of Chinese automotive brands as we continue to lead the way in sustainable global growth.

Included in Forbes China's Sustainable Industrial Companies List. In recognition of our outstanding practices in sustainable development, Chery Auto emerged as the sole automaker to be featured on the 2024-2025 Forbes China Sustainable Industrial Companies List.

Ranked No. 1 in the Automotive Category of the 2025 Kantar BrandZ Top 50 Chinese Global Brand Builders. The 2025 Kantar BrandZ Top 50 Chinese Global Brand Builders report was revealed. Chery Auto ranked No. 1 in the automotive category and No. 12 on the overall list, marking our eighth consecutive year of inclusion in this prestigious listing.

September

Listed on the Main Board of The Stock Exchange of Hong Kong. Chery Auto was listed on the Main Board of The Stock Exchange of Hong Kong (STOCK CODE: 9973.HK). This milestone opens a new chapter in our global capital expansion journey.

October

The Only Chinese Brand to Sweep Five Major J.D. Power Awards. Chery Auto ranked first in the J.D. Power China Vehicle Dependability Study (VDS). This achievement followed our previous top rankings among Chinese brands in Customer Service Index (CSI), Sales Satisfaction Index (SSI), Automotive Performance, Execution and Layout Study (APEAL), and Initial Quality Study (IQS). These accolades make Chery Auto the only Chinese brand in history to sweep all five major J.D. Power annual honors.

Renewed Global Partnership with UNICEF. Chery Auto and UNICEF jointly announced the renewal of our global education partnership, initiating a new phase of strategic collaboration. We have committed an additional USD6 million over the next three years to support UNICEF's global education programs, thus ensuring quality learning opportunities for the world's most vulnerable and marginalized children.

Held the Chery Global Innovation Conference. In October, Chery Auto held the 2025 Global Innovation Conference themed "Innovation Leading the World Intelligently". At the event, the Company launched the Kaiyang Laboratory Strategic Alliance and unveiled more than 10 cutting-edge technologies, including the Kunpeng Tianqing engine with 48% thermal efficiency. Leveraging our global collaborative innovation network, Chery Auto accelerates the industrialization of technological achievements and builds a world-class technological innovation system.

December

Secured 18 Authoritative Industry Awards for Technology and Quality. At the 3rd China Automotive Industry Quality Conference, our technological innovation systems and quality management capabilities secured Chery Auto 18 industry awards, including "Innovative Technology of the Year" and "New Vehicle Quality of the Year". These honors demonstrate our industry leadership in both technology and quality.

2025 Sustainability Highlights

Strengthening the Governance Foundation for Sustainable Development

Global Corporate Governance

300.287 billion yuan annual operating revenue

19.508 billion yuan annual net profit

40% share of independent non-executive directors

13% share of female directors

Risk Management and Compliance

0 major violations

Information Security and Privacy Protection

0 information and cybersecurity incidents

Business Ethics

715 business ethics training sessions

36 audits on anti-corruption and business ethics standard

100% participation rate of employees and directors in training

Safeguarding Our Shared Global Home

Addressing Climate Change

0.8265 million units new energy vehicle sales

31.41% share in total sales

100% product carbon footprint accounting coverage of all models on sale throughout the year

3 Anhui Province zero-carbon industrial park demonstration projects

Energy Management and Efficient Utilization

Approximately **52.77%** proportion of green electricity at vehicle bases

281.92 MW grid-connected photovoltaic installed capacity

Pollution Prevention and Emissions Management

121.45 million yuan annual investment in environmental protection projects including pollution and waste reduction

5 national-level "Green Factory" titles

5 factories awarded Grade A rating for heavy pollution weather performance

Water Resource Utilization

1 Water-Saving Enterprise awarded

Circular Economy

618 power battery recycling outlets established at Chery retail 4S stores nationwide

97% of products and materials were actually reused or recycled

The mineral oil recycling and regeneration project achieved a comprehensive utilization rate of **96%**

Base oil recovery rate reached **74%**

Shaping Inspiring Mobility

Technological Innovation and Leadership

Annual R&D investment reached
14.715 billion yuan

20,366 R&D personnel employed in China

8 all-new new energy models launched during the year

3,452 authorized patents obtained in the year

23,074 cumulative patents obtained by the end of 2025

Product Quality and Mobility Safety

Chery brand ranked
No.1 among Chinese brands in J.D. Power 2025 China Initial Quality Study (IQS)

Chery brand ranked
No.1 among Chinese brands in J.D. Power 2025 China Automotive Performance, Execution and Layout Study (APEAL)

Nomination Award of the 5th **"China Quality Award"** received

51 models awarded global **"Five-Star Safety"** certification

16 safety performance rating verifications conducted during the year

Building a Collaborative and Win-Win Value Chain

Responsible Supply Chain

100% of tier-1 suppliers signed the Supplier Code of Conduct

120 suppliers participated in Chery's "Visit to Excellent Suppliers" program

1 national-level "Green Supply Chain Management Enterprise" certified

Global Customer Operations

Chery brand ranked
No.1 among Chinese brands in J.D. Power 2025 China Sales Satisfaction Index (SSI)

Chery brand ranked
No.1 among Chinese brands in J.D. Power 2025 China Customer Service Index (CSI)

4,147 dealer training sessions held during the year

Dealer participation rate reached
99.7%

Empowering People to Grow and Thrive

Employee Rights and Interests

100% of employees joined trade unions

100% of employees covered by independent trade unions or collective bargaining agreements

Employee Training and Development

Annual average training hours per employee in China reached
55.9 hours

Annual total training expenditure in China reached
32.27 million yuan

Creating a Positive and Mutually Beneficial Impact

Social Welfare and Community Development

Global education cooperation benefited more than
40 million children and adolescents

Special investment in rural revitalization throughout the year reached
2.6790 million yuan

Total investment in social welfare and charity throughout the year reached
43.2596 million yuan

Sustainability Recognition and Awards (Partial)

General Sustainability

Chery Auto was listed as a Representative Case of the 2025 "Building Sustainable Brands" Visionary Initiative.

Chery Auto was listed in Xinhuanet's "2025 Enterprise ESG Practice Cases".

Chery Auto was listed in the "2025 Sustainability Practice Cases of China's Automotive Industry" published by the China Association of Automobile Manufacturers.

Environmental

Chery Auto won the "Annual Dual Carbon Pioneer" award in NetEase Finance's 2025 Outstanding Corporate ESG Practice Cases.

Chery Auto's TIGGO 7 C-DM won the 2025 Low-Carbon Front-Runner Model award in the A-Class Plug-in Hybrid SUV category.

Chery's recycled aluminum technology won the China Championship in the Sustainable Materials category of UNIDO.

Chery's recycled aluminum technology won Global Runner-Up in the Sustainable Product category at the 2025 Altair Enlighten Award.

Chery Auto was listed in the "2025 Corporate (Industrial Park) Climate Action Casebook" by the Ministry of Ecology and Environment's Center for Communications and Education for its recycled aluminum case.

Chery's E-FUEL adaptation technology won recognition as an Outstanding Case in Green Development and ESG Practice in the 2025 China Corporate International Image Building program.

Social

Chery Auto won the Cailian Press Zhiyuan Award for Social Responsibility (S) Pioneer Enterprise.

Chery Auto was listed in Forbes' 2025 World's Best Employers.

Chery Auto won the Nomination Award of the China Quality Award.

Chery Auto ranked No. 1 on the Anhui Top 100 Invention Patent List for 11 consecutive years.

Chery Auto won First Prize and four other awards at the Science and Technology Awards of the China Society of Automotive Engineers.

Chery Kunpeng Hybrid was selected for the China Manufacturing Achievements Exhibition of the 14th Five-Year Plan as the only hybrid technology solution.

Strengthening the Governance Foundation for Sustainable Development

Chery Auto is guided by strong governance and supported by the global philosophy of "In somewhere, For somewhere, Be somewhere". Building on its new listing milestone, the Company is establishing a corporate governance and sustainability management system aligned with international standards. We have integrated ESG principles into our strategic decision-making and global operations. We continuously drive high-efficiency governance and high-quality development and create long-term value through resilient and stable operations in a bid to contribute to global sustainable development.

Material Topics

- Global corporate governance
- Risk management and compliance
- Business ethics
- Information security and data privacy

2025 Key Performance Indicators

- Maintained board independence, and independent non-executive directors account for 40% of the board.
- No concluded corruption-related lawsuits against the Company or its employees during the reporting period.
- Conducted 715 business ethics training sessions throughout the year, with 100% participation rate for employees and directors.
- Placed strong emphasis on information security and privacy protection; no information or cybersecurity violations, user data or privacy breaches occurred during the year.
- Strengthened information and privacy security risk management capabilities, and obtained ISO/IEC 27001 Information Security Management System and ISO/IEC 27701 Privacy Information Management System certifications.

Improving Sustainability Management

Chery Auto embeds sustainable development into its corporate DNA and adheres to the development vision of "Become an innovation-driven, globally trusted leader in the intelligent mobility ecosystem". We continuously refine our sustainable development management system, actively fulfill our corporate social responsibilities, and collaborate with stakeholders to advance ESG practices. We are striving to be a steadfast practitioner of high-quality and sustainable development.

ESG Strategy

Chery Auto has established a comprehensive sustainable development system that spans from strategic decision-making to operational practices. During the reporting period, the Company updated its ESG strategic framework based on double materiality assessment results. This framework comprises a collaborative sustainable development system structured around 3 strategic pillars, 12 key strategic areas, and 4 supporting elements, allowing for the systematic advancement of sustainability-related initiatives.

An Innovation-driven, Globally Trusted Leader in Intelligent Mobility Ecosystem

ESG Strategic Pillars	Low-carbon transition and benefit for nature	Customer-centric win-win approach with value chain partners	Self-discipline and regulated development	
	Making breakthroughs in clean technology, advancing green manufacturing, and promoting recycling	Driving sustainability across the value chain, deepening stakeholder trust, and building a sustainable brand	Optimizing corporate governance to ensure effective risk control	
Key Strategic Areas	Corporate climate risk governance Energy management and efficiency improvement Carbon reduction across product lifecycles Circular economy	Technological innovation and leadership Global user operations and product responsibility Responsible supply chain management Employee well-being	Strengthening business value management Global governance Risk and compliance management Data security and privacy protection	
Support and Safeguards	Governance structure	Management mechanisms	Stakeholder communication	ESG digital system

ESG Ecosystem

Guided by the philosophy of "In somewhere, For somewhere, Be somewhere", Chery Auto integrates internal resources and works with external partners to advance its sustainability goals. By promoting localized value creation and global responsibility practices, we are progressively building an ESG ecosystem that fosters multi-party participation and collaborative co-creation.

Chery Auto has joined the United Nations Global Compact (UNGC), and is committed to upholding its Ten Principles in the areas of human rights, labour, environment and anti-corruption. These requirements have been incorporated into the Company's strategy and operations to enhance the standardization and transparency of ESG management, thereby strengthening the foundation for responsible global operations. Chery Auto actively helps shape the industry ecosystem and works with global ESG partners to promote the broader adoption and innovative practice of sustainability concepts. Together, we are moving towards a sustainable development vision.

Case

Building An Extensive Chery Global ESG Advisory Alliance

In 2025, Chery Auto further strengthened the Chery Global ESG Advisory Alliance to deepen the expertise and broaden the international reach of its ESG ecosystem. The Alliance has incorporated experts and representatives from organizations and supply chain partners with international sustainable influence. It has also invited former UN Secretary-General Ban Ki-moon as an honorary ESG advisor to enhance the Alliance's international professional influence. By leveraging this collaborative platform, Chery Auto is extending ESG from internal corporate management to multi-party collaborative global actions. This provides long-term mechanism support for low-carbon technology cooperation, public welfare project implementation, and industry experience exchange.

ESG Management

Chery Auto is perpetually improving its ESG management mechanisms. We have incorporated key ESG indicators such as closed-loop data for customer complaint handling, carbon emissions, and ESG assessment results of procurement personnel into the executive remuneration system. This helps to strengthen the linkage between sustainable development goals and management decisions, and promotes the implementation of relevant requirements in company operations.

Sustainable Development Governance Structure

Chery Auto has established an ESG governance system that connects the entire chain consisting of "strategic decision-making - operational execution - supervision and feedback". Through the synergistic operation of a four-tier governance structure comprising the governance level, management level, execution and supervision level, and execution level, we ensure the maximization of sustainable development effectiveness.

Board of Directors Strategy and Sustainability Committee	**Governance Level** The Board of Directors, as the highest responsible body for ESG matters, assumes overall responsibility for ESG management. The Board has established the Strategy and Sustainability Committee, which coordinates and guides ESG vision and goals, ESG risks and opportunities, ESG strategy, system development, and information disclosure. It advises the Board on ESG-related work, and fully fulfills its ESG governance functions to ensure that the Company's sustainable development direction aligns with its strategic plan.
Sustainability Management Committee	**Management Level** The Company has established the Sustainability Management Committee under the Operation Management Committee, chaired by the Company's President, to coordinate and guide ESG and climate management related strategic planning and system development. Through regular meetings, this committee assesses and makes decisions on significant ESG matters, including global ESG compliance and environmental and social risks.
Sustainability Management Execution Group Strategic Planning Department	**Executive Supervision Level** The Sustainability Management Execution Group, established under the Sustainability Management Committee, serves as the executive supervision body for the Company's ESG affairs. The Execution Group holds regular meetings to implement the resolutions of the Sustainability Management Committee, and manages and advances ESG and carbon peaking and carbon neutrality related tasks.
Functional departments | Brand divisions | Subsidiaries	**Execution Level** To ensure high-quality execution of ESG work, the Sustainability Management Execution Group covers all functional departments, brand divisions, and subsidiaries. ESG specialists are appointed within key functional departments such as R&D, Manufacturing, Procurement, and the Digital Intelligence Center to promote the implementation of specific tasks, forming a vertically integrated and horizontally collaborative execution network.

In 2025, the Strategy and Sustainability Committee held 7 meetings, with focuses on reviewing management matters such as carbon neutrality strategies, emission reduction targets, ESG risks and opportunities, and internal carbon pricing mechanisms. The Sustainability Management Committee and core management personnel attended the meetings to report on work progress and response measures. Relevant material issues were promptly reported to the Board of Directors for deliberation and decision-making.

Sustainable Development Management Mechanisms

Chery Auto continuously improves its sustainable development management mechanisms, and systematically integrates ESG requirements into its operational management and performance appraisal systems. The Company has developed corresponding performance indicators for 19 ESG issues and has incorporated them into the performance management system covering 31 functional departments, brand divisions, and subsidiaries. This promotes the implementation of responsibilities at the specific business units and continuously makes sustainable development management more systematic and applicable.

ESG Digitalization Development

To enhance the digitalization, refinement, and coordination of ESG management, Chery Auto has accelerated the development of a dedicated ESG digital platform, positioning it as the central hub for ESG digital management to efficiently support the following three key functions:

Precise carbon accounting and solid data foundation

By connecting with underlying systems such as the Manufacturing Execution System (MES) and the Enterprise Resource Planning (ERP) system, the platform enables automated accounting and real-time tracking of carbon emissions at both the organizational level and across the full product lifecycle, providing a reliable basis for monitoring and calibrating emission reduction targets.

Efficient ESG reporting and compliance disclosure

Establish an automated process covering multi-source data collection, intelligent verification, and report generation, ensuring data traceability while improving the quality of information disclosure and compliance efficiency.

Closed-loop ESG evaluation and performance management

Support the quantitative evaluation and dynamic monitoring of ESG performance for the Company as a whole and for each business unit, forming a closed-loop management process from data insights to management actions, and enabling the precise identification of risks and optimization of resource allocation.

During the reporting period, the ESG digital platform has gradually achieved data integration with core business systems within the company, such as the Manufacturing Execution System (MES), Enterprise Resource Planning System (ERP), and Supplier Relationship Management System (SRM). This integration provides more reliable digital support for unified management, cross-verification, and management decision-making of ESG data. Looking ahead, Chery Auto will continue to improve the platform's functions, promote third-party certification for relevant modules, and introduce intelligent analytics capabilities. The Company will strengthen coordination with business operations such as supply chain management and manufacturing, further developing the platform into a digital foundation that drives sustainable development and transparent governance.

Sustainable Brand Development

As a steadfast practitioner of sustainable development, Chery Auto continuously integrates technological innovation, green development, social responsibility, and long-termism into its brand-building process, promoting the synergistic growth of business value and social value.

Case

Chery Auto Joined the "Building Sustainable Brands" Visionary Initiative as One of The First Signatories

In September 2025, the "Building Sustainable Business and Brands" high-level dialogue was held at the Palais des Nations in Geneva, Switzerland. During the dialogue, Chery Auto, as the only automotive company, signed the "Building Sustainable Brands" Visionary Initiative alongside 23 other companies, becoming one of the first companies to join the initiative. As a steadfast practitioner of sustainable development concepts, Chery Auto continuously integrates technological innovation, green development, social responsibility, and long-termism into its brand building process, driving the synergistic growth of business and social value.

Stakeholder Communication

Chery Auto places high importance on interaction and collaboration with various stakeholders, and considers listening and responding to stakeholder opinions as crucial for deepening ESG initiatives. Based on its business characteristics and value chain segments, the Company has identified 12 stakeholder groups. Through multi-channel, regular communication mechanisms, we promptly address their concerns and expectations, thus continuously improving our ESG practices.

Stakeholders	Concerns and Expectations				Communication Mechanisms and Responses			
Government and regulators	• Compliant operation • Tax compliance	• Job creation • Raw material traceability	• Product carbon footprint • Support for local industrial development		• Policy implementation • Information reporting	• Provision of employment • Information disclosure	• Digital government-enterprise communication platforms	
Shareholders and investors	• Standardized governance	• Investment returns	• Information transparency	• ESG rating performance	• Shareholder meetings • Shareholder dividends	• Information disclosure • Visits and receptions	• Improvement of ESG ratings	
Customers and consumers	• Product safety • Product inclusivity	• Low-carbon products • Customer service	• Privacy protection		• Satisfaction surveys • Complaint mechanisms	• Data security management • Customer activities	• Information disclosure	
Suppliers	• Fairness and justice	• Standardized supplier management	• Mutual benefit	• ESG capability building	• Standardized procurement • Supplier grievance channels	• Evaluation and assessment • Supplier engagement meetings	• Due diligence • Supplier empowerment and training	
Dealers	• Compliant operation	• ESG management capability improvement	• Service improvement	• Stable operations	• Responsible marketing	• Dealer empowerment and training	• Dealer seminars	• Emergency plans and drills
Industry associations	• Industry cooperation	• Industry development	• Fair competition	• Technological innovation	• Strategic cooperation	• Association meetings	• Industry initiatives	• Standard setting
Rating agencies	• Information transparency	• Data traceability			• Rating response and information submission	• Communication meetings		
Research institutions and universities	• Product R&D	• Technological innovation			• Industry-academia-research cooperation	• Academic exchange		
Directors and senior management	• Strategy implementation	• Risk control	• Value creation		• Board meetings	• Special senior management sessions	• Regular progress reports	
Employees	• Legitimate rights and interests • Remuneration and benefits	• Career development • Occupational health and safety	• Equality and diversity • Employment security during transition		• Contracts and agreements • Union negotiations	• Performance appraisal and promotion • Employee training	• Employee health checks • Communication and care	• Feedback • Internal mobility channels
Media	• Information disclosure	• Business dynamics	• Conveying consumer needs		• Media interviews	• Press conferences	• Feedback	
General public	• Driving economic development	• Rural revitalization	• Environmental protection	• Biodiversity conservation	• Community co-building • Charitable donations	• Environmental monitoring • Information disclosure	• Feedback	

Materiality Assessment

Accurate identification and effective assessment of material issues are crucial components of the Company's sustainable development management. Chery Auto conducts an annual materiality assessment to pinpoint the key areas of its sustainability efforts. In 2025, Chery Auto established its own materiality assessment methodology based on the HKEX ESG Reporting Code while also referencing the framework requirements of the European Sustainability Reporting Standards (ESRS) and GRI Standards, to conduct a double materiality assessment of ESG issues. The Company developed a four-step materiality assessment approach and invited both internal and external stakeholders to participate. ESG topics were systematically analyzed from impact materiality and financial materiality perspectives, ultimately forming a double materiality matrix, which provides a scientific basis for the Company's sustainable development strategy and action plans.

Step 1: Identify Sustainability Issues

With reference to regulatory disclosure guidelines and capital market rating requirements, and taking into account regulatory policies in the regions where the Company operates as well as sustainability topics of concern among peer companies, we identified 19 ESG topics related to the Company's sustainable development.

Step 2: Identify Impacts, Risks, and Opportunities

Based on the confirmed ESG issues, we conducted an in-depth analysis of the relevant activities across all segments of the Company's value chain, and subsequently identified 30 positive and negative impacts, as well as 36 risks and opportunities related to Chery Auto.

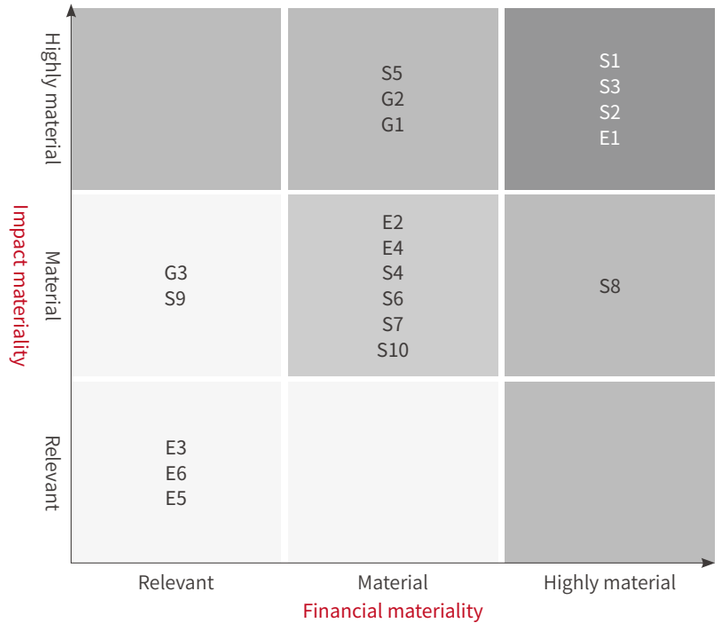
Step 3: Assess the Materiality of the Issues

	Assessment Method	Assessment Dimension
Impact materiality assessment	Based on the 30 ESG issues, an impact materiality assessment questionnaire was developed. Over 600 internal and external stakeholders were invited to participate in the impact materiality assessment through online surveys.	• Scale of impact: The degree or intensity of the impact on the economy, society, or environment • Scope of impact: The number of individuals/the geographical area of environmental resources affected • Irreversibility: The difficulty of offsetting/remediating negative impacts • Likelihood of occurrence: The probability of the impact occurring
Financial materiality assessment	A questionnaire for financial materiality assessment was developed based on the 36 ESG risks and opportunities, and management representatives from 16 departments within the Company were invited to participate in the financial materiality assessment through workshops.	• Magnitude of impact: The extent to which ESG risks and opportunities affect the Company's financial situation • Likelihood of occurrence: The probability of the relevant event occurring

Step 4: Confirm Results

Based on the recommendations of management and external experts, we obtained preliminary confirmation of the assessment results of ESG impact materiality and financial materiality. These findings have been submitted to the Board's Strategy and Sustainability Committee for review and approval, ultimately forming a double materiality matrix. This matrix provides support for the Company's sustainable development management, thus allowing for the integrated management of ESG risks and other business risks.

The results of Chery Auto's double materiality assessment of issues for 2025 are as follows:



Environmental

E1 Climate change addressing
E2 Energy management and efficient utilization
E3 Pollution prevention and emission management
E4 Circular economy
E5 Water resource management
E6 Biodiversity conservation

Social

S1 Technological innovation and leadership
S2 Product quality and mobility safety
S3 Global user engagement and stewardship
S4 Information security and privacy protection
S5 Responsible supply chain
S6 Employee rights
S7 Diversity and equality
S8 Employee development and training
S9 Occupational health and safety
S10 Social welfare and community development

Governance

G1 Global corporate governance
G2 Risk management and compliance
G3 Business ethics

We have selected issues of very high materiality and systematically outlined their impacts, risks, and opportunities. Please refer to the table below for details.

Impacts, Risks, and Opportunities of Issues of High Materiality

Issue	Category of impact, risk, and opportunity	Description	Value chain scope	Time horizon	Response measures
Technological innovation and leadership	Positive impact	Providing consumers with more accessible and attractive automotive products and experiences through technological innovation, and promoting technological advancement and the commercialization of achievements in the automotive industry.	Upstream value chain Own operations Downstream value chain	◇ →	See Chapter "Leading Technological Innovation" for details.
	Opportunity	Continuously exploring technological frontiers, delivering products which offer new technological experiences to consumers, strengthening technological and market competitiveness, and increasing revenue.	Own operations Downstream value chain	◇ →	
Global user engagement and stewardship	Positive impact	Continuously optimizing the ecosystem service system centered on global users, which helps strengthen global trust in the brand and enhance the international image of Chinese automotive brands.	Own operations Downstream value chain	→	See Chapter "Global User Operations" for details.
	Risk	Significant differences exist in cultural preferences, consumption habits, regulatory requirements, and service expectations across various markets. Failure to accurately identify and effectively respond to user needs may adversely affect market expansion and operating performance.	Own operations Downstream value chain	→	
	Opportunity	High-quality user operations can convert users into long-term brand supporters, which is conducive to increasing revenue.	Own operations Downstream value chain	→	
Product quality and mobility safety	Positive impact	Committed to taking responsibility for products and delivering high-quality, highly reliable products to customers with zero defects, so as to ensure driving safety and public transportation safety.	Downstream value chain	← ◇	See Chapter "Delivering Excellence in Quality" and Chapter "Ensuring Mobility Safety" for details.
	Negative impact	New automotive technologies bring new safety challenges. Failure to properly manage potential vehicle safety defects may harm the rights and interests of drivers, passengers, and other road users.	Downstream value chain	← ◇	
	Risk	To maintain product safety, investment in safety technology R&D must be continuously increased, and upstream supply chains must be pushed to upgrade technology and quality, which may increase procurement costs; improper product quality management may lead to regulatory penalties, large-scale product recalls, consumer litigation, etc., affecting consumer trust in the brand and reducing revenue.	Upstream value chain Own operations Downstream value chain	←	
	Opportunity	Excellent product quality can effectively enhance brand reputation, increase customer loyalty, help expand market share, and increase revenue.	Own operations Downstream value chain	→	

Notes: 1.Definition of the value chain scope: Upstream value chain mainly covers raw material procurement and supply chain management; own operations mainly cover R&D and manufacturing; and downstream value chain mainly covers distribution, marketing and sales, after-sales service, and end-of-life management.
2.Definition of the time dimension: Short-term is 1-5 years, medium-term is 6-15 years, and long-term is over 15 years.

← Short-term ◇ Medium-term → Long-term

Issue	Category of impact, risk, and opportunity	Description	Value chain scope	Time horizon	Response measures
Climate change addressing	Positive impact	Accelerating the emission reduction process of own operations and value chain while providing consumers with cleaner automotive products, which helps reduce greenhouse gas emissions and mitigate global climate change.	Upstream value chain Own operations Downstream value chain	Short-term, Medium-term, Long-term	See Chapter "Addressing Climate Change" for details.
	Negative impact	The production, operation, and value chain activities of automobiles generate a large amount of greenhouse gas emissions. Ignoring this issue will exacerbate global climate change.	Upstream value chain Own operations Downstream value chain	Medium-term, Long-term	
	Risk	Global climate change may lead to physical risks such as extreme weather conditions which endanger the safety of employees and physical assets. It may also induce supply disruptions or interruptions, reducing revenue. At the same time, stricter environmental regulations and the trend of reducing product carbon footprints may increase the Company's operating costs.	Upstream value chain Own operations	Medium-term, Long-term	
	Opportunity	Driven by the global energy transition and carbon neutrality goals, the new energy vehicle business presents growth opportunities. This contributes to increased operating revenue in the future.	Own operations	Short-term, Medium-term	
Responsible supply chain	Positive impact	Assisting supplier partners in enhancing their ESG management capabilities and performance, thereby promoting high-quality transformation and sustainable development of the supply chain.	Upstream value chain	Short-term	See Chapter "Enhancing Supply Chain Resilience" for details.
	Negative impact	If suppliers are involved in environmental, human rights, and conflict mineral risks, upstream value chain activities may negatively impact the local community environment as well as labor health and well-being.	Upstream value chain	Medium-term, Long-term	
	Risk	Failure to effectively manage supply chain ESG risks, environmental or labor rights events could affect supply and delivery stability, thereby impacting the Company's operating performance and increasing compliance and supply chain management costs.	Upstream value chain Own operations	Short-term, Medium-term	
	Opportunity	Implementing sustainable procurement can help optimize supply chain management, improve supply quality and operational efficiency, while ensuring downstream product supply.	Upstream value chain Own operations Downstream value chain	Short-term, Medium-term	

Notes: 1.Definition of the value chain scope: Upstream value chain mainly covers raw material procurement and supply chain management; own operations mainly cover R&D and manufacturing; and downstream value chain mainly covers distribution, marketing and sales, after-sales service, and end-of-life management.
2.Definition of the time dimension: Short-term is 1-5 years, medium-term is 6-15 years, and long-term is over 15 years.

Short-term Medium-term Long-term

Issue	Category of impact, risk, and opportunity	Description	Value chain scope	Time horizon	Response measures
Risk management and compliance	Positive impact	Compliant operation and robust risk control mechanisms ensure the rights and interests of internal and external stakeholders, including employees, shareholders, and investors. This helps the Company build its brand image and reputation and gain market trust.	Own operations	Medium-term, Long-term	See Chapter "Risk and Compliance Management" for details.
	Risk	Failure to implement comprehensive compliance management could lead to violations in global operations, thereby impacting market access and the Company's reputation while also reducing operating revenue.	Own operations	Short-term, Medium-term	
	Opportunity	Strengthening compliance management capabilities can effectively mitigate potential risks and reduce remediation costs associated with supply chain disruptions, operational interruptions, and fines.	Upstream value chain Own operations	Medium-term, Long-term	
Global corporate governance	Positive impact	Enhancing global governance improves our ability to respond to uncertainties, emerging risks, and unforeseen events. This subsequently reduces operational risks while ensuring stable long-term operations and also creating enduring value for all stakeholders.	Upstream value chain Own operations Downstream value chain	Medium-term, Long-term	See Chapter "Enhancing Corporate Governance" for details.
	Risk	Ineffective or poor corporate governance can lead to deviations in development direction, flawed strategic decisions, and inefficient management and operations, thereby increasing operational risks along with costs, and reducing revenue.	Own operations	Short-term, Medium-term	
	Opportunity	Effective corporate governance enhances decision-making quality and efficiency, reducing operational costs and attracting high-quality global capital.	Upstream value chain Own operations	Medium-term, Long-term	
Employee development and training	Positive impact	Improving employee skills and qualifications through training and capacity building fosters mutual growth between the Company and its employees, thus providing a solid talent foundation for long-term development.	Own operations	Short-term, Medium-term	See Chapter "Promoting Talent Development" for details.
	Opportunity	A well-defined employee development path and system enables the Company to continuously attract and retain top talent as well as enhance the overall quality of human resources. This strengthens R&D and innovation capabilities, thus increasing revenue.	Own operations	Short-term, Medium-term	

Notes: 1.Definition of the value chain scope: Upstream value chain mainly covers raw material procurement and supply chain management; own operations mainly cover R&D and manufacturing; and downstream value chain mainly covers distribution, marketing and sales, after-sales service, and end-of-life management.
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Short-term Medium-term Long-term

ESG Goal Commitment and Progress Tracking

Based on the materiality assessment, Chery Auto has deepened its issue management on a comprehensive level. Management commitments and goals have been set for ESG issues of very high importance, and progress is regularly tracked to continuously improve ESG performance.

Issue	Our commitment and goals	Progress in 2025
Technological innovation and leadership	• We will continue to invest further in technological R&D, focus on clean technology, and ensure steady year-on-year growth in clean technology investment.	• We invested approximately RMB 4,600 million in clean technology R&D.
Global user engagement and stewardship	• Centering on users, we aim to satisfy diverse customer needs, refine the quality of customer service, and continuously improve customer satisfaction.	• Our brand ranked **4th** in the mainstream automotive industry and **1st** among domestic brands in J.D. Power's Sales Service Satisfaction Index (SSI) Study. It also ranked **1st** in the mainstream automotive industry in the After-Sales Service Satisfaction Index (CSI) Study released by J.D. Power.
Product quality and mobility safety	• We will maintain a **100%** closed-loop rate for quality-related complaints.	• The closed-loop rate for quality-related complaints reached **100%**.
	• We will establish a full life cycle safety and quality management system to ensure that all global production and operation entities obtain quality management system certifications, and guarantee that the safety performance of global products fully complies with local regulations and standards.	• **100%** of our global production and operation entities passed IATF 16949 or ISO 9001 quality management system certification, thus providing solid systemic assurance for the stable and reliable quality of products in all markets.
Climate change addressing	• We will achieve net zero across the value chain by 2047, the company's 50th anniversary. • We will achieve net zero in our own operations by 2037, the company's 40th anniversary. • Compared to the baseline year of 2023, we will reduce average greenhouse gas emissions per vehicle by **60%** by 2030.	• Average greenhouse gas emissions per vehicle were reduced by **9.42%** compared to the 2023 baseline year.
	• By 2030, the proportion of green power usage in the Company's vehicle manufacturing bases will reach **80%**.	• The proportion of green power usage in the Company's vehicle manufacturing bases was **52.77%**.
	• By 2030, the number of zero-carbon factories will reach **11**.	• We had **2** zero-carbon factories.
Responsible supply chain	• By 2030, the proportion of green power used by core tier-1 suppliers (vehicle) will not be less than **60%**.	• This is a newly established target for the current year; complete data has not yet been collected.
Risk management and compliance	• We will conduct risk management and compliance training for all employees at least once a year. • We will continuously improve the compliance management system framework and build a layered and categorized global compliance system.	• **1** risk management training sessions covering all employees and **8** compliance training sessions covering all employees were conducted. • We established a compliance department that coordinates front, middle, and back-office operations to ensure the Company strictly adheres to legal and regulatory requirements in all aspects, including products, labor, organizational management, supply chains, compliant operations, and ESG. • We formed dedicated task forces for key ESG regulations such as the EU's Carbon Border Adjustment Mechanism (CBAM) and European Union Deforestation Regulation (EUDR). We completed technical localization and adaptation for key markets like the EU and South America to ensure all overseas operations are in strict compliance with host country regulations.
Global corporate governance	• By adhering to the "In somewhere, For somewhere, Be somewhere" globalization strategy, we will continuously strengthen global localized management. We will also achieve sustainable value creation by rooting ourselves in local markets, serving local needs, and integrating ourselves into local ecosystems.	• We established production bases and R&D centers globally, with business operations covering more than **130** countries and regions worldwide. We exported **1.2944** million vehicles throughout the year, setting a new historical record.
Employee development and training	• We will continuously invest resources in employee training and skill enhancement, and systematically carry out employee training and skill improvement initiatives to build a solid talent foundation for high-quality enterprise development.	• Annual total training expenditure for employees in China reached RMB **32.27** million. • Annual average training hours per employee in China reached **55.9** hours.

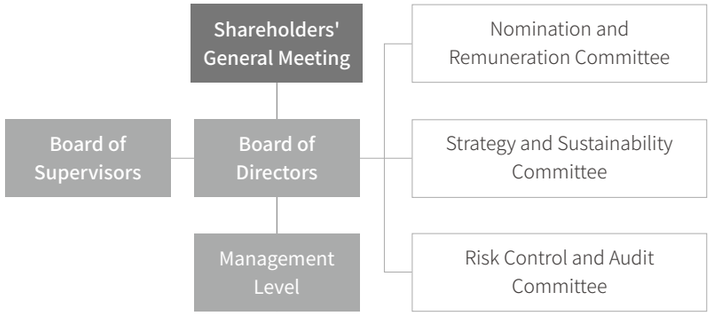
Enhancing Corporate Governance

Chery Auto consistently operates in accordance with laws and regulations, strictly adheres to the legal and regulatory requirements of all operating regions globally, and has systematically built a corporate governance system that aligns with its global strategy. Leveraging comprehensive institutional standards and the full discharge of duties by the Board of Directors, the Company ensures the standardization, effectiveness, and forward-looking nature of its governance system. This helps to lay a solid foundation for the Company's global expansion and stable long-term operations.

Governance System Development

Chery Auto has established a governance structure and operating mechanism centered around the Shareholders' General Meeting, Board of Directors, Board of Supervisors, and the management level. It has also established three specialized board committees: the Risk Control and Audit Committee, the Nomination and Remuneration Committee, and the Strategy and Sustainability Committee. In 2025, the Company continued to improve management systems and rules, including the *Articles of Association, Rules of Procedure for the Shareholders' General Meeting, Rules of Procedure for the Board of Directors, Working Guidelines for the Strategy and Sustainability Committee, Working Guidelines for the Risk Control and Audit Committee, Working Guidelines for the Nomination and Remuneration Committee, Working System for Independent Directors, and Rules for Specialized Committees of Independent Directors*. This promoted the standardized, efficient, and full performance of duties by all governance bodies and safeguarded shareholders' rights and interests.

Chery Auto's Governance Structure



In 2025

3 Shareholders' General Meetings were convened

32 proposals were reviewed at Shareholders' General Meetings

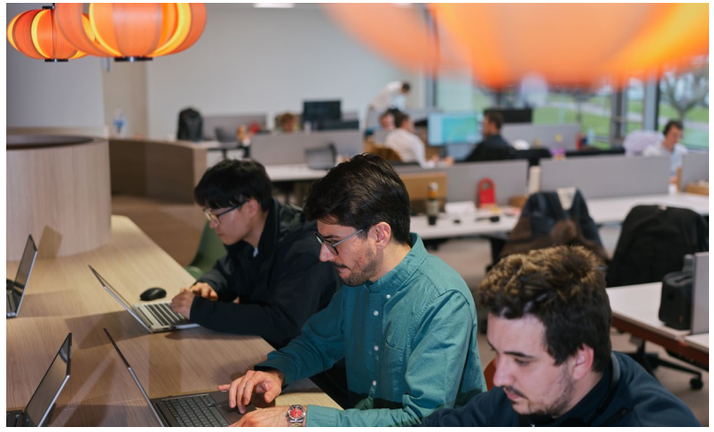
10 meetings of the Board of Directors were held

53 proposals were reviewed at the meetings of the Board of Directors

100% attendance rate of the Board meetings

As its global footprint continues to expand, Chery Auto adheres to the philosophy of "In somewhere, For somewhere, Be somewhere". Building on its internal governance structure, the Company is further strengthening its global governance system to respond steadily to emerging challenges in global development. The Company has established dedicated task forces to address international regulatory requirements, including the EU Carbon Border Adjustment Mechanism (CBAM), the EU Deforestation Regulation (EUDR), the EU Battery Regulation (EUBR) and EU CO_2 emission standards for vehicles, integrating these compliance requirements into its daily governance. At the same time, leveraging its global R&D centers, the Company adapts technologies locally to ensure full compliance with the differentiated regulatory requirements of markets such as the European Union and South America.

Looking ahead, Chery Auto will continue to deepen high-quality global governance and focus on the differentiated characteristics of various regional markets worldwide. We will further optimize global resource allocation and regional management models, and strengthen the proactive prediction and response systems for geopolitical and compliance risks. Concurrently, we will integrate more openly into local ecosystems and promote extensive alignment between brand value and local demand. This will enable stable, compliant, and synergistic operations globally, and lay a solid foundation for the Company's long-term sustainable international development.



Fulfillment of the Board's Responsibilities

As the highest decision-making body for corporate governance, Chery Auto's Board of Directors' core responsibilities include leading and overseeing the Company's strategic planning, as well as policies and performance, to ensure sound financial operations, and promote ESG value creation, thereby ensuring that the Company's strategic objectives and daily practices are aligned.

To implement corporate governance and enhance the effectiveness of its responsibilities, the Board has established three specialized committees: the Nomination and Remuneration Committee, the Strategy and Sustainability Committee, and the Risk Control and Audit Committee. These three committees each fulfill their duties, collaborate synergistically, and jointly construct a Board governance structure with clear responsibilities and professional efficiency.

Board of Directors

Nomination and Remuneration Committee

Responsible for nominating candidates for the Board of Directors, and reviewing their independence, skill matrix, performance, and executive remuneration.

Strategy and Sustainability Committee

Responsible for reviewing the Company's development strategy and operational plans, and overseeing ESG governance matters.

Risk Control and Audit Committee

Responsible for reviewing the Company's financial status and policies, and overseeing risk governance and internal control related work.

Chery Auto recognizes the benefits of Board diversity and independence for the Company's scientific and efficient governance. The Company has adopted a Board diversity policy. When selecting directors, factors such as professional experience, skill reserves, gender, age, cultural background, nationality, ethnicity, educational background, and tenure are all taken into consideration. At the same time, we are committed to ensuring the independence of the Board of Directors by setting a reasonable proportion of independent directors, thereby enhancing governance credibility. During the reporting period, the Board of Directors comprised 15 directors, including 2 executive directors, 7 non-executive directors, and 6 independent non-executive directors. Among them, there are 2 female directors, accounting for approximately 13%, whereas independent non-executive directors account for 40%. The professional backgrounds of the directors cover multiple fields including automotive engineering, electronic information technology, computer applications, business management, law, and finance. There is no direct kinship or any familial relationships among the directors. By ensuring the diversity, complementarity, and independence of the Board's composition, the Company plays an important role in its long-term standardized operation.

Note: For detailed information regarding the directors, please refer to the 2025 Chery Auto Annual Report.

Adherence to Compliant Operations

Chery Auto consistently upholds the business principles of integrity and compliance. The Company utilizes its globalization strategy to continuously enhance its risk management and compliance control systems in order to meet global regulatory standards. It also improves its business ethics management norms and systems, and elevates its expertise in data security governance and user privacy protection, thereby safeguarding its and all its stakeholders' legitimate rights and interests.

Risk and Compliance Management

Chery Auto focuses on four core governance areas: risk management, internal audit management, compliance management, and tax management. Through system improvement, process optimization, and supervisory coordination, it has established a collaborative and efficient risk and compliance management system. This lays a solid foundation for its high-quality operations and safeguards its long-term, stable development.

Risk Management

Chery Auto aims to ensure the steady operation of its global business, and has established a rigorous internal risk management system in strict compliance with the ISO 31000 Risk Management, China's GB/T 24353 Risk Management Guidelines, and the GB/T 46409 Guidelines for Emerging Risk Management, among other standards. The Board of Directors serves as the highest decision-making body for risk management, and is fully responsible for formulating the overall risk management strategy. The Risk Control and Audit Committee oversees the construction of the risk management system, and efficiently handles various potential risks. Concurrently, the Company formulates and continuously improves core system documents such as the *Comprehensive Risk Management System* and the *Regulations for Risk Identification* and *Assessment Management*. This creates a closed-loop management system covering the entire process of risk identification, assessment, response and monitoring, and integrates risk control with strategic decision-making and daily operations.

Under the leadership of the Board of Directors, the Company has established a three-line defense model for risk management to provide multi-layered protection for the Company's risk control and continuously advance risk prevention and control development. Furthermore, the Company incorporates risk management into the performance evaluation of functional department heads and division leaders. This evaluation is based on a comprehensive assessment of risk management activities, the effectiveness of risk control, and innovative measures. The resulting score is directly linked to the financial bonuses and performance of departments and individuals.

First line of defense: Executor

The first line of defense includes all business personnel, department managers, risk control liaisons, and business unit leaders. They are the executors and primary responsible parties for risk prevention and control. They are responsible for implementing the Company's comprehensive risk management systems, collecting risk-related information within their respective areas, conducting risk assessments, developing risk response strategies, and designing risk control plans. This is all to ensure the deep integration of risk control with business operations.

Second line of defense: Manager

The second line of defense comprises the Risk Management Committee, composed of the Company's President, Executive Vice President, and the leaders responsible for various functional departments and brand business groups/divisions, along with its secretariat. It also includes the Risk Management Department under the Audit Center. The second line of defense acts as the "manager" of risk prevention and control. It is responsible for updating and optimizing risk management mechanisms, promoting the development of risk culture and risk control informatization. It supports, guides, and supervises the risk identification, assessment, response, and monitoring activities of the first line of defense. It regularly evaluates the risk control performance and effectiveness of the first line of defense. For major Company-level risks, it drives the establishment of cross-departmental and cross-organizational special risk governance working groups, continuously enhancing the Company's overall risk prevention and control capabilities.

Third line of defense: Supervisor

The third line of defense is undertaken by the Audit Center, which is responsible for conducting independent audit verification of the effectiveness of the risk prevention and control system.

To align with the Company's global business layout and multi-business-unit operating model, Chery Auto has innovatively established a hierarchical and collaborative risk management system of "1+X+Y", further promoting the in-depth implementation of risk management. Through this system, Chery Auto has systematically identified key risk items, continuously improved special governance mechanisms, and formed a three-dimensional risk management pattern featuring horizontal collaboration and vertical integration, further consolidating primary entity responsibilities and enhancing overall risk prevention and control effectiveness.

"1" Top-level Design

An integrated three-dimensional risk management architecture is established, with a unified company-wide risk language system and standardized tool templates to ensure the penetrating implementation of risk management concepts and capabilities across the Company.

"X" Key Priority Tackling

Identify company-level major risks through scientific risk assessment, clarify the responsible departments, and have the risk management function department track the response progress in a specialized manner, so as to achieve "responsibility assigned to individuals and closed-loop prevention and control" for major risks.

"Y" Full-Scope Coverage

For each business unit including various business groups, business divisions and subsidiaries, implement the "localized risk management organization + institutionalized prevention and control process", build a three-dimensional risk prevention and control network that extends vertically to the grassroots and horizontally to all sectors, and realize the in-depth integration of risk control and business operations.

Chery Auto routinely carries out risk identification and response management activities, and strengthens the operational and support mechanisms for risk management. The Company has established a three-dimensional supervision system through internal audit, special audit and external audit. Various types of audit work are conducted every year to verify the effectiveness of risk control and promote continuous improvement. The Board of Directors and the Risk Control and Audit Committee conduct no fewer than two reviews of the Company's risk management system each year, assessing the effectiveness of the mechanism, the level of cultural integration, and its alignment with corporate strategy, to ensure that risk management serves as a core driver of the Company's sustainable development.

Risk identification	Develop specialized plans for key business core processes and updates to regulations in operating locations. Identify risks comprehensively and compile a risk inventory through methods such as interviews, expert consultations, compliance assessments, and internal inspections.
Risk assessment	Based on the risk identification results, the Company uses a dual-dimensional assessment model of likelihood and impact to classify and prioritize Company-level risks, forming a risk heat map.
Risk control	Develop risk response strategies, implement control measures and rectification tasks, continuously optimize risk contingency plan designs, and promote the dynamic improvement of risk management.
System monitoring	Integrate risk management requirements into business processes, establish monitoring measures, promote the digitalization of risk management, and comprehensively enhance risk prevention and control levels.

Chery Auto reviews its strategic, operational, financial, and compliance objectives semi-annually, and simultaneously identifies and assesses emerging and existing risks. During the reporting period, the high-impact and high-likelihood risks we identified include overseas compliance risks and geopolitical risks.

	Risk description	Potential impact	Mitigation measures
Overseas compliance risk	As the Company accelerates its globalization strategy, its business now covers multiple countries and regions worldwide. The regulatory systems in different jurisdictions regarding product certification, trade controls, data privacy, environmental protection, labor rights and interests, and anti-monopoly are significantly different and increasingly stringent.	Failure to identify and meet localization compliance requirements in a timely manner may expose the Company to risks such as product access obstruction, hefty fines, damage to brand reputation, and even market withdrawal.	• Improve the overseas compliance management system and dynamically track regulatory changes in key markets. • Appoint local compliance officers in core markets to strengthen frontline response capabilities. • Implement a compliance pre-screening mechanism by embedding target market regulatory requirements at the product planning and project initiation stages. • Conduct regular global compliance training, third-party audits, and supplier compliance assessments.
Geopolitical risk	The Company's overseas businesses are widely distributed in politically and economically sensitive regions such as those along the Belt and Road, Latin America, the Middle East, and Eastern Europe. These operations are susceptible to non-commercial factors such as international tensions, trade sanctions, foreign exchange controls, and sudden policy changes.	Failure to effectively manage geopolitical risks may lead to obstacles in overseas project investments, restrictions on cross-border fund flows, supply chain disruptions, and significantly increased operating costs in overseas markets. These challenges may further lead to fluctuations in operating performance and potential asset impairment losses, while also impacting the Company's global brand image and the progress of its market expansion.	• Establish a geopolitical risk assessment model, update the list of high-risk countries, and formulate differentiated entry or exit strategies. • Optimize the overseas investment structure to reduce political sensitivity and asset risk. • Strengthen communication and collaboration with host country governments, industry associations, and Chinese embassies and consulates abroad to enhance policy foresight and crisis response capabilities.

Chery Auto actively monitors emerging risks. Business teams proactively identify potential risks arising from technological advancements, evolving regulatory policies, and market dynamics. These risks are systematically assessed for their scope and temporal impact, and forward-looking response strategies are developed to effectively mitigate their potential disruption to business operations, financial performance, and sustainable competitiveness, thereby safeguarding the Company's long-term value creation capabilities.

Assisted driving risk

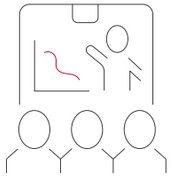
Type of risk	Technical Risk
Risk description	• Assisted driving technology, as a cutting-edge innovation in the automotive industry, makes driving more convenient. However, it has also become a source of emerging risk due to public perception biases, technological limitations, and misalignments between manufacturers' claims and technical boundaries. • Since 2025, numerous significant regulatory documents have been released in the intelligent connected vehicle sector, imposing higher compliance requirements on the Company. Simultaneously, for Chery Auto, an established traditional automaker, breakthroughs and competitive advantages in this domain are directly linked to market competitiveness. Assisted driving is a core area of innovation and leadership for Chery Auto. Failure to clarify safety boundaries in advertising and user training could lead to safety-related incidents and derivative liabilities. Based on an assessment of industry risk precedents across "likelihood of occurrence" and "significance of impact", the Company has determined that intelligent driving risks will have a sustained and long-term impact on operations, compliance, finance, brand reputation, and the achievement of global objectives, with its inherent uncertainty posing a high-level risk exposure.
Potential impact	• Advancements in intelligent technology (such as breakthroughs in L3/L4 autonomous driving) may put Chery Auto's existing technological roadmap under pressure for iteration. Insufficient investment in forward-looking R&D could lead to technological lag, weaken the competitiveness of the "Equal Intelligence for ICE Vehicles and EVs" Strategy and impact the "Global Peer" Benchmarking Strategy. • With increasingly strict industry regulations, if assisted driving technology fails to meet standards, it may lead to compliance risks. This could result in product recalls, market exclusion, financial losses (e.g., compensation costs), and damage to brand reputation. • As intelligent driving technology evolves, regulatory focus is shifting from single product certification to comprehensive, full-lifecycle product risk control, encompassing R&D, verification, launch, and operation. The risk of product liability lawsuits arising from system performance defects, misleading functions, or improper advertising is increasing significantly, potentially exposing the Company to substantial compensation claims and severe damage to its brand reputation.
Mitigation measures	• The Company, led by the Global Technology Innovation Center, has formulated the *Chery Auto Assisted Driving: Safety Governance and Risk Management System.* A dedicated risk governance task force has been established to coordinate cross-departmental resources including assisted driving R&D, supply chain, marketing and sales, after-sales, and legal affairs and compliance. This creates a collaborative, closed-loop system consisting of identification, assessment, response, and monitoring. • In the risk identification phase, a dynamic assessment system incorporating five dimensions—compliance, personal safety, financial impact, reputational impact, and business continuity—has been established to systematically identify and maintain a dynamically updated Intelligent Driving Risk Inventory. Furthermore, a monthly risk reporting mechanism has been implemented for regular control to track the implementation of major risk controls. Specific emergency plans are in place to clarify emergency response procedures and responsibilities for urgent risks. For high-priority risks, a series of standardized processes have been developed for promotional marketing, user education and delivery, emergency response to safety incidents, and data backtracking analysis. By creating a synergy across governance, technology, and management, the aforementioned measures are driving Chery Auto's intelligent driving risk prevention and control from "reactive response" to "proactive early warning".

Battery risk

Type of risk	Technical Risk
Risk description	• As a core component of new energy vehicles, the safety of the battery directly determines the overall reliability of the vehicle. Its performance over its lifespan is linked to long-term economic and environmental benefits. Currently, battery risk has escalated from a singular technical issue to a comprehensive challenge encompassing safety, environmental protection, and compliance. • As the share of new energy vehicle sales continues to increase, Chery's vehicle business faces escalating risks related to battery safety and regulatory compliance. On the one hand, the vehicle business must address safety incidents caused by battery thermal runaway and performance degradation due to aging, as well as consumer rights protection claims, while also complying with the recycling responsibility requirements under the EU's Extended Producer Responsibility (EPR) regulations and the stringent safety standards of China's new national regulations. On the other hand, Chery Auto's Battery Division, as the battery manufacturer, also faces supply chain risks due to fluctuating raw material costs and accelerated technological iteration, as well as risks of surging production and recycling costs under compliance requirements. • In the Company's "likelihood of occurrence" and "significance of impact" dual-dimensional risk assessment, battery risk is considered to exhibit medium to high-risk characteristics across dimensions such as operations, compliance, finance, brand reputation, and globalization strategy. The comprehensive risk exposure is rated as high-level and is expected to continue to have a significant impact in the long term.
Potential impact	• Under increasingly stringent standards such as the EUEPR and China's GB38031, failure to meet battery environmental compliance standards could impact Chery Auto's export business in Europe. Additionally, violations of environmental regulations could trigger heavy fines, increasing operational costs. Meanwhile, various regions are strengthening the regulatory oversight of battery safety responsibilities, requiring companies to undertake more compliance obligations. As an automobile manufacturer, the Company would be liable for enormous compensation if battery failures lead to accidents. Consumers may initiate lawsuits, which in turn would affect its brand reputation and potentially lead to an existential crisis for the brand. As a battery supplier, if product defects cause losses to downstream vehicle manufacturers, the Company would also face litigation claims, which would increase financial costs.
Mitigation measures	• The Battery Division, as the primary responsible department for self-produced battery risk, led by the division head, deeply integrates risk identification awareness into daily business processes and formulates a "technology-compliance-data-cycle-carbon emission-supply chain" six-dimensional integrated special response strategy. Specific measures include: - Put compliance first, followed by dynamic tracking to ensure full compliance of business activities with the legal and regulatory requirements of the operating locations; - Build a technology foundation, with standards playing the leading role by formulating Group-level battery system safety standards, and implementing grid-based, refined management throughout the entire production process; - Enable data empowerment with full-cycle monitoring by building a battery big data platform. This will develop an AI health prediction model capable of real-time monitoring and early warning of battery status; - Seek supply chain collaboration and green co-construction by implementing tiered supplier management and incorporating green environmental protection and quality stability into core performance indicators. • Regarding battery risk in its vehicle business, Chery Auto's Global Technology Innovation Center, Procurement Center, Global Quality Center, and various brand divisions have formed an interdepartmental control defense line. This line manages externally sourced batteries throughout their entire lifecycle, from "technology standard formulation - selection of qualified suppliers - quality acceptance of batteries - battery recycling and reuse from after-sales vehicles", while also incorporating policy preferences for low-carbon and environmentally friendly suppliers during procurement.

In the development of new products and services, Chery Auto conducts risk analysis based on strategy, operations, finance, and compliance, and integrates risk standards into the entire lifecycle of product and service development. For instance, it closely monitors risks arising from external technological advancements to ensure reasonable R&D progress planning. In the development of intelligent cockpits, it fully considers the requirements of the EU AI Act, ensuring that the development, deployment, and use of AI systems adhere to principles of equality, non-discrimination, and appropriate accountability and supervision. End-to-end encryption and regular penetration testing are implemented for intelligent cockpit, remote control, and OTA upgrade modules to ensure compliance with data security and privacy protection regulations. For vehicles developed for export to the EU, it considers standards such as Euro 7 emission standards in advance.

Chery Auto recognizes the critical supporting role of promoting risk awareness in ensuring the Company's stable operations. In 2025, to strengthen the Company's risk management culture, specialized risk management training was conducted at various levels for the Board of Directors, senior management, and frontline employees, focusing on dimensions such as risk concepts, risk trends, and risk regulatory requirements. Through risk management training covering all levels, we have achieved synergistic improvements in the Board of Directors' risk governance effectiveness, senior management's strategic risk control capabilities, and all employees' risk and compliance awareness, thereby building a comprehensive risk defense line for the Company's stable operations. In 2025, the Company conducted 1 basic risk management training session for all employees, 5 special training sessions for risk administrators of various units, 2 special training sessions for middle and senior management, 1 special training session and 1 special seminar for non-executive directors. It also organized regular practical training and experience sharing for risk management professionals on an ongoing basis.



Case

Chery Auto Risk Management Lecture to Build a Safety Barrier for High-quality Development

In November 2025, Chery Auto organized a special lecture on risk management, attended by middle and senior management and risk liaisons from various departments, divisions, and subsidiaries. The Company invited external experts to deliver lectures, provide detailed interpretations of the Company's risk management system, and clarify the responsibilities and requirements of each department. Through industry benchmarking, risk warnings, and system interpretation, the training reinforced a sense of ownership for risk management among all employees and promoted the integration of risk management into strategic decision-making as well as daily operations, thereby safeguarding globalization and high-quality operations.

Audit Management

Chery Auto reinforces the Company's internal supervision barrier through an audit management model that prioritizes systems, guides with planning, and links self-inspection with collaboration. Through internal and external audits, the Company has established a multi-dimensional supervision system. It conducts various audits annually to verify the effectiveness of risk management and control and to encourage continuous improvement.

With guiding documents such as the *Internal Audit System* and *Internal Control Evaluation Management Measures* as its core framework, Chery Auto has established an institutional framework for internal auditing. This framework clarifies the rights, responsibilities, and procedures of internal audits, and provides solid institutional support for standardized and normalized audit work. The Company adopts various methods such as annual audits, special audits, and joint inspections to continuously strengthen the supervision and management of key operational areas and critical risks.

Annual audit: The Company formulates and implements an annual audit plan focusing on key dimensions such as financial compliance, service quality, and supply chain management. It conducts systematic audits of key areas including its assets, operations, finance, and risks. This allows for normalized supervision and both full-process management and control.

Special audit: The Company conducts targeted special audits focusing on key areas such as internal control processes and authorization and utilization of power. It thoroughly investigates weak management links and refines internal governance.

Joint inspection: The Company, in conjunction with various divisions and departments such as procurement and marketing, conducts joint inspections on areas like supplier quality and dealer sales practices. This extends audit work across the entire value chain and continuously enhances the overall management.

Aligning with the development trend of digital transformation in auditing, Chery Auto continues to advance the construction of its online audit system to enhance the efficiency of internal audits through technological empowerment. During the reporting period, the Company optimized and upgraded its internal audit system to achieve end-to-end online closed-loop management ranging from audit plan formulation to subsequent supervision and analysis. Concurrently, an internal audit self-inspection function was launched, which promoted the comprehensive digital operation of self-inspection tasks and improved audit management efficiency and supervisory effectiveness.

Compliance Management

Chery Auto safeguards the implementation of its globalization strategy through an established high-standard compliance system. By continuously monitoring updates to laws and regulations in its operating locations, the Company quickly reiterates its compliance management systems and strengthens the cultivation of a compliance culture and the dissemination of regulations across the entire value chain. Simultaneously, the Company relies on a management mechanism of "integrated compliance + front-office compliance + middle and back-office compliance" to achieve full-process, full-coverage management and control of global operations and business compliance.

Integrated compliance

Focusing on foundational modules such as organizational management, system construction, and corporate governance, all while endeavoring to foster the Company's compliance culture and management environment.

Front-office compliance

Covering front-line business scenarios including product compliance, supply chain compliance, and advertising compliance to ensure all business activities remain in compliance.

Middle and back-office compliance

Covering supporting links such as anti-monopoly and anti-unfair competition, factory compliance to achieve compliant management and control in functional areas.

Chery Auto has established core management systems such as the *Global Code of Conduct* and the *Compliance Management System*, which define compliance boundaries, responsibility requirements, and operational standards for each business process. These provide guidance for the daily conduct of global business partners and employees as well as promote compliant operations across the entire value chain. The Company also actively promotes the dissemination of a compliance culture by conducting special training sessions on legal and compliance matters to foster employees' compliance awareness and guide them in practicing compliance principles.

Case

Compliance Culture Month Promotion

The Company faces a series of challenges including increasingly stringent cross-border compliance regulations, accelerated implementation of ESG regulations, and the continuous strengthening of data compliance and anti-monopoly oversight. It therefore organized various compliance-themed training sessions during the Compliance Culture Month. Through special lectures and knowledge quizzes, employees' compliance awareness and risk prevention capabilities were enhanced.

Special lectures

- For overseas operations, special lectures focused on key areas such as export controls, sanctions risks, and adaptation to EU ESG regulations.
- For supply chain management, emphasis was placed on interpreting supply chain compliance management requirements and key points for contract risk prevention and control.
- For company operations, the focus was on core areas such as anti-monopoly and data compliance to strengthen the identification and prevention of compliance risks during operations and business expansion.

Knowledge quizzes

- All employees were required to complete a compliance knowledge quiz after the training to reinforce knowledge retention and understanding through examination. This comprehensively enhanced employees' cognitive levels and practical application abilities in areas such as business compliance, cross-border risk response, ESG regulation understanding, and supply chain risk management and control.

Tax Management

Chery Auto strictly adheres to the tax laws, regulations, and legislative purposes of all operating locations, and upholds the principle of lawful and honest tax payment in its daily business activities. With the goal of improving tax risk management, we have established a tax management mechanism involving the Board of Directors, the Risk Control and Audit Committee, the Tax Department, and the Business & Regional Tax Team. This mechanism ensures layered responsibilities and coordinated collaboration while clearly defining core duties at each level for tax policy approval, supervisory audits, system development, and declaration execution. This serves to fulfill our obligation to pay taxes lawfully.

Tax Management Structure

Board of Directors	Approving tax policies and annual country-by-country reports (CbCRs).
Risk Control and Audit Committee	Overseeing internal control, auditing external tax verification, and reviewing high-risk transactions.
Tax Department	Developing policies (e.g., *Tax Administration Regulations*, and *Tax Administration Measures for Overseas Subsidiaries*), executing transfer pricing, and maintaining the tax risk map.
Business & Regional Tax Team	Executing declarations, collecting country-specific data, monitoring regulatory changes, and communicating with local regulatory authorities.

Chery Auto remains committed to not shifting created value to low-tax jurisdictions, not using tax structures without commercial substance, adhering to the arm's length principle for transfer pricing, and not utilizing non-transparent jurisdictions or so-called "tax havens" for tax avoidance. We have established a systematic mechanism for collecting country-specific tax data and are continuously optimizing our tax platform to enhance the compliance of our tax management. Concurrently, through regular analysis of key regional tax environments, we identify and manage risks related to key matters in tax administration, thereby increasing our tax compliance. Furthermore, the Company continuously monitors domestic and international tax regulatory dynamics. It focuses on specialized research into cutting-edge and complex policies such as value-added tax (VAT) and consumption tax reforms, and overseas tariff adjustments, to ensure that its tax operations are in strict compliance with all policy requirements. Through robust tax governance, Chery Auto will continue to demonstrate sound, responsible, and sustainable tax management practices to its shareholders and society.

Note: For detailed information regarding the Company's tax management, please refer to the relevant chapters of the annual report published concurrently.

Business Ethics

Chery Auto adheres to business ethics-related laws and regulations in all its operating locations. Through multi-faceted initiatives, we continuously foster a business culture of integrity and zero tolerance. We not only ensure legal compliance in our own business operations to high standards but also play a leading role in the value chain. We encourage upstream and downstream partners to jointly abide by business ethics principles, and lead the industry in building an honest and self-disciplined operating ecosystem. The Company has formulated the *Global Code of Conduct*, the *Anti-corruption Policy*, *Supplier Code of Conduct*, and the *Integrity Statement*, among other policies, which are publicly available on the Company's website. These policies clearly define compliance requirements for employees and partners in their business conduct and provide clear and unified behavioral guidance for global operations.

Anti-Corruption

Chery Auto is committed to improving its anti-corruption and integrity governance and fostering an integrity ecosystem across its value chain. The Company continuously improves its anti-corruption governance system by establishing policy documents such as the *Anti-Corruption Policy* and the *Sunshine Project Management System*. It conducts a comprehensive review of the content covered at the company-level (including subsidiaries) anti-corruption policies at least every three years with the aim of standardizing anti-corruption efforts. In 2025, Chery Auto was not involved in any corruption litigation cases against the Company or its employees.

In line with the requirements for normalized anti-corruption management, the Company has built a comprehensive, collaborative and efficient integrity prevention and supervision system centered around its two core Sunshine Project brands: Ruidun and Ruiying. In 2025, the Company conducted 36 audits on anti-corruption and business ethics standards, achieving a coverage rate of 63% for its operational sites. It plans to achieve 100% coverage for all operational sites within three years.

Ruidun brand	This brand undertakes integrity inspection and supervision functions. During the reporting period, key efforts focused on the professional development of the integrity management team and the upgrading of integrity self-inspection standards. A long-term mechanism was constructed for anti-corruption and integrity, with an emphasis on prevention and combining prevention with disciplinary measures.
Ruiying brand	Centered on investigation, inspection, and issue resolution, this brand organizes integrity visits with key partners and conducts site inspections. It also efficiently handles whistleblowing reports, coordinated rectification, and accountability measures to drive continuous optimization of the Company's integrity ecosystem through strong execution.

Chery Auto identifies integrity management and control of value chain stakeholders as a critical area, and focuses on employees and suppliers as two core groups. A mechanism for integrity commitment covering all personnel and assigning responsibility has been established. Internally, the Company requires management personnel to sign the *Annual Commitment Letter for Dual Responsibilities*, and employees in key positions to complete the Sunshine Project integrity self-inspection and sign the *Personal Integrity Self-Inspection* as well as the *Integrity Practice Commitment Letter*. Externally, Chery Auto requires suppliers to sign the *Sunshine Project Integrity Agreement*. This results in an integrity protection mechanism across the business ecosystem. In 2025, 100% of employees in key positions signed the *Integrity Practice Commitment Letter*, and 100% of suppliers signed the *Sunshine Project Integrity Agreement*.

Furthermore, Chery Auto emphasizes the development of its anti-corruption and integrity culture. For personnel in key positions, activities such as on-site cautionary education at the Anti-corruption and Integrity Education Hall are organized to strengthen employees' integrity awareness and compliance concepts. Simultaneously, awareness campaigns such as "Delivering Integrity Lessons to the Frontline Workers" and "Sunshine Project" promotion activities are deeply implemented across all employees and bases. This achieves comprehensive and widespread integrity education and continuously nurtures the Company's integrity-focused work culture. In 2025, 100% of the Company's directors and employees received anti-corruption training.

In 2025

0 concluded corruption litigation cases

36 audits conducted on anti-corruption and business ethics standards

100% of employees in key positions signed the *Integrity Practice Commitment Letter*

100% of suppliers signed the *Sunshine Project Integrity Agreement*

100% of directors and employees received anti-corruption training.

Against Conflict of Interest

To further standardize the supervision and management of conflicts of interest, Chery Auto has established a full-process conflict of interest management system with the *Global Code of Conduct* and the *Management Regulations for Conflict of Interests* as its core policies. It clearly defines six types of potential conflicts (including related party relationships, family relationships, financial interests, and employment relationships, etc), and stipulates a five-step closed-loop management process covering declaration, screening, review, handling, and tracking. This system prevents the risk of conflict of interest at the source while safeguarding the legal rights and interests of the Company and its employees. In accordance with the *Management Regulations for Conflict of Interests*, the Company conducts standardized work on conflict of interest declaration, review, and handling of violations annually. In 2025, conflict of interest declarations covered 100% of the Company's employees (excluding frontline workers), and no litigation cases related to conflicts of interest occurred.

Anti-Unfair Competition and Anti-Monopoly

Chery Auto establishes fair competition as a core principle of its operations and promotes the healthy development of the industry ecosystem through institutional constraints and behavioral norms. The Company strictly adheres to domestic and international laws and regulations regarding anti-unfair competition and anti-monopoly practices. It has formulated the *Regulations on the Management of the Operators' Unified Anti-monopoly Review and Declaration* and the *Red Line List for EU Distribution Business Competition Law from a Vertical Perspective*. In 2025, the Company had no record of civil compensation or administrative penalties imposed for violations of laws and regulations related to anti-monopoly and unfair competition.

During the reporting period, Chery Auto conducted a review of its anti-unfair competition and anti-monopoly risk checklist. On one hand, in conjunction with relevant provisions of EU anti-unfair competition laws, it developed a risk checklist for vertical monopolization by EU distributors to clarify legally prohibited behaviors. On the other hand, for internal operations, it sorted out and compiled a legal risk identification checklist focusing on high-risk areas such as procurement, vehicle sales, dealer management, after-sales services, investment and M&A, and advertising and marketing. This helps business personnel avoid non-compliant operations and achieve pre-emptive risk screening before business activities commence.

To enhance all employees' awareness of anti-unfair competition and anti-monopoly, in 2025, the Company invited a professional law firm to conduct training on key points of anti-monopoly compliance in the automotive sector. It also organized specialized anti-monopoly training for operations in the EU market, in a bid to comprehensively improve all employees' awareness of fair competition.

Anti-Money Laundering and Anti-Insider Trading

Chery Auto strictly adheres to the *Anti-Money Laundering Law of the People's Republic of China* and the relevant regulations of its operating locations. By implementing mechanisms such as business partner entry screening and transaction fund traceability management, it strictly prohibits money laundering and insider trading to ensure business interactions only with legally operating partners.

Reporting Management

Chery Auto has established a reporting management system centered on institutional safeguards, unimpeded channels, and incentive protection. It has formulated regulations such as the *Regulations on Complaint and Reporting and Investigation Management* and the *Regulations on the Disposal of Problem Tip-offs for the Sunshine Project*. A standardized working mechanism has been established, encompassing elements like real-name and anonymous reporting, full-process confidentiality, and efficient handling. The Company provides compliance and integrity awareness training, including instruction on the use of whistleblowing channels, to all employees through regular programs such as new employee onboarding training. Concurrently, through a whistleblower protection and reward mechanism, the Company incentivizes employees, suppliers, and other internal and external stakeholders to participate in supervision, so as to foster a collaborative and clean ecosystem.

Reported incident handling process

Chery Auto has established independent and comprehensive handling mechanisms for different types of reporting. If an investigation confirms the reported incident, the Company will impose disciplinary actions on the involved employees based on the severity of the circumstances. This includes but is not limited to warning, demotion, or dismissal. Cases involving criminal offenses will be transferred to the relevant judicial authorities for handling.

Reporting of compliance issues	Reporting related to compliance issues is handled by the Audit Center as the primary receiving department. Dedicated personnel are assigned to promptly review and uniformly register reporting information received through various channels, including email, letters, and phone calls, and conduct preliminary analysis and classification of the reported information.
Reporting of Sunshine Project issues such as fraud and corruption	For significant cases involving fraud and corruption, the Discipline Office serves as the primary receiving department. For tip-offs, an independent working group comprising the Discipline Inspection Committee and the Sunshine Project Committee has been formed. This dual-track operational model, involving specialized handling and disposal by the Discipline Office and independent review by the Discipline Inspection Committee, ensures the fairness and authority of the entire reporting and investigation process.

Whistleblower Protection

Chery Auto has established a comprehensive confidentiality mechanism throughout the entire process of handling whistleblowing reports. The security of reporting information is ensured through strict limitations on the scope of knowledge regarding said tip-offs and enhancing encrypted information management. Additionally, whistleblowers can choose to report under their real name or anonymously to maximize the protection of their rights and interests. The Company's *Regulations on Complaint and Reporting and Investigation Management* clearly outline the protection procedures for complainants and whistleblowers. Any act of retaliation will be subject to the strictest disciplinary sanctions and legal prosecution, thereby creating a protective shield for whistleblowers.

Rewards to Whistleblowers

Chery Auto acknowledges and encourages positive reporting through its reward mechanism. For tip-offs that are verified as true and have substantially contributed to the investigation of cases, tiered rewards are provided based either on 1% of the direct economic losses recovered or 5% of the fines and confiscated amounts related to violations. This effectively encourages employees to protect the Company's interests. During the reporting period, the Company incorporated training on the use of whistleblowing channels into its compliance-related training programs, enabling personnel responsible for receiving reports to understand how to handle and respond to reported matters appropriately.

Chery Auto's supervision and reporting channels and methods

Reporting channels	Sunshine Project	Compliance reporting
Management department	Discipline Inspection Office	Audit Center
Telephone	0553-5923810	0553-7526147
Email address	yangguang@mychery.com	hegui@mychery.com
Mail	No. 8 Anshan Road, Wuhu Economic and Technological Development Zone, Anhui Province	

External Donations

Chery Auto strictly adheres to internal management systems such as the *Regulations on External Donations*. As of the end of the reporting period, we made no donations to organizations aimed at influencing political campaigns or legislative activities, nor have we made any direct or indirect political contributions. All decision-making and execution of public welfare and charitable donations are incorporated into the Company's ESG governance process, supervised by the Board of Directors, to ensure that donation activities are highly aligned with the United Nations Sustainable Development Goals (SDGs) and the climate commitments of the *Paris Agreement*.

Information Security and Privacy Protection

With the Company's global business layout and accelerated intelligent strategy, information security risks such as potential cyberattacks and data breaches pose higher control requirements for the Company. Chery Auto continuously improves its information security governance system by integrating information security and privacy protection into the overall risk governance framework. This effectively safeguards the information security of the Company and its stakeholders.

Governance Structure

Chery Auto has established a three-tier management structure for information security and privacy protection, consisting of oversight and decision-making, centralized management, and implementation. The Company's Chief Information Officer (CIO) holds the highest supervisory responsibility for information security, ensuring that information security and privacy protection requirements are integrated throughout the entire process of policy formulation, implementation, and supervision and improvement. The Company has also established a regular oversight mechanism to continuously track the implementation of relevant policies and measures across business segments. The Digitalization and Information Technology Committee reports to the Executive Management Committee (including executive directors) on a monthly basis, ensuring that the Board-level leadership is informed of, understands, and reviews strategic matters related to information security and privacy protection, thereby maximizing governance effectiveness.

Information Security and Privacy Protection Governance Structure

Decision-making Level	Executive Management Committee (including Executive Directors)		
	Monthly Reporting ↑ ↓ Oversight and Guidance		
Management Level	Responsible for coordinating three core functions related to information security and privacy protection: strategic planning, risk control, and implementation oversight	Digitalization and Information Technology Committee (the Company's highest supervisory body for information security and privacy protection)	Chaired by the Company's Chief Information Officer (CIO), with Executive Directors and senior management team members serving as standing members
Execution Level	Digital Intelligence Center (Planning and Implementation)	Legal and Intellectual Property Center (Regulatory Interpretation and Document Review)	Audit Center (Risk Assessment)	Other Functional Departments (related to Information Security and Privacy Protection)

Management Principles

To safeguard users' personal information and legal rights, Chery Auto continuously improves its information security and privacy protection management system. We comply with applicable laws and regulatory requirements and have established overarching principles for information security and privacy protection to ensure the effective and ongoing operation of information security and privacy protection mechanisms. All employees and third-party personnel are required to report any identified information security incidents to the Digital Intelligence Center within 20 minutes. The Center will assess the severity level of the incident, report it to the Emergency Response Leadership Team, and notify relevant technical personnel to take appropriate response measures.

Information Security and Privacy Protection Principles

Lawful and transparent: We follow the principles of legality, transparency, and data minimization in the collection and use of users' personal data. The collection and use of such data are strictly limited to lawful and necessary purposes.

Protecting users' rights: We highly respect users' data subject rights. In strict compliance with applicable laws and regulations, we inform users of the purpose and circumstances of collecting and using their personal data, and only collect and use such data after obtaining their authorized consent. Users may contact us by email at privacy@mychery.com or by phone at 400-883-8888 to request access to, correction of, or deletion of the personal data we have collected.

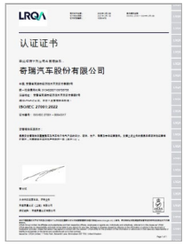
Responsible data management: Personal data shall be processed in a manner that ensures its security. We protect personal data from unauthorized access, unlawful processing or transmission, and accidental loss, alteration, or destruction. Upon achieving the objectives for data collection and use, we will manage personal data appropriately, including timely deletion or anonymization.

Prudent data circulation: We require personal data recipients within the Company, external parties and cooperative third parties to strictly comply with authorization requirements. Data recipients shall ensure that personal data is used only for the authorized and specific purposes.

Information Security Management

Chery Auto strictly complies with the *Cybersecurity Law of the People's Republic of China* and the information security laws and regulations of its operating countries and regions. It collaborates in advancing cybersecurity planning, standards, and technical safeguards, and has established an information security management mechanism that covers the entire data lifecycle. The Company continuously improves its information security system, formulates the *Information Security Management Guidelines* and establishes the *Overall Data Security Management System*. This is supplemented by specific regulations such as the *Data Classification and Grading Management Regulations* and the *Information System Emergency Management Norms*. These measures strengthen data security management and incident response capabilities and enhance overall risk prevention and control levels.

The Company monitors information security issues and continuously responds to threats from related incidents. As of the end of the reporting period, it has passed the ISO 27001 certification for its information security management system for two consecutive years, which covers all business areas including design, R&D, production, sales, and service. In 2025, the Company achieved a Data Security Capability Maturity Model (DSMM) Level 4 certification, further increasing its data security management level. During the reporting period, the Company experienced no information or cybersecurity violations.



ISO 27001 Certification for Information Security Management System

Risk management	• We clarify management responsibilities and audit mechanisms. By establishing a maturity assessment model and implementing targeted risk assessments, it builds a closed-loop risk management system of "identification—rectification—prevention" to mitigate information leakage risks.
Operational defense	• Security monitoring: We have established a 24/7, multi-dimensional information security defense system that enhances risk identification through vulnerability scanning, threat monitoring, and data security checks. This ensures data integrity and effective protection. Utilizing terminal security systems integrated with DLP and security logs, we promptly issue alerts and formulate a coordinated response upon detecting abnormal copying behavior. • Tiered response: In accordance with national standards, we have established a tiered response mechanism for information security threats. This involves differentiated processes for alarm identification, analysis and judgment, containment and disposal, and tracing. This ensures timely and appropriate incident response and handling. • Emergency management: We have established an information security emergency management mechanism. We also regularly organize offensive and defensive drills and emergency drills to continuously enhance network defense and emergency response capabilities. In 2025, we organized 3 practical offensive and defensive drills and 1 emergency drill.
Audit and verification	• Internal audit: We continuously review the effectiveness of the management system's operation and the execution of key controls through internal audits. In 2025, we conducted 34 internal audits for information security. • External testing: We independently verify the effectiveness of our security protection through third-party penetration testing, conducted at least 3 times per quarter, to continuously enhance the reliability and effectiveness of security protection.
Technology upgrade	• The Company has built the "Tianqiong" log management platform, "Tianwang" security operations hub, and "Tianyu" endpoint management platform to enhance multi-platform collaborative control capabilities. This helps to improve security operational efficiency through automated inspections and early warnings, as well as monitoring and responding to information security threats.
Awareness promotion	• To ensure information security responsibilities are assigned to every employee, we have established a mechanism for enhancing information security awareness that covers all employees. This strengthens employee security awareness through regular training and phishing email simulation tests. In 2025, we organized 1 phishing drill, conducted 1 information security awareness assessment covering all employees, and applied "Information Security Digital Assistant" for information security and privacy protection compliance training. These drills covered 100% of employees.
Third-Party Management	• The Company clarifies the information security management requirements and responsibilities for suppliers before onboarding, during cooperation and after the termination of cooperation, so as to reduce information security risks in the cooperation process.

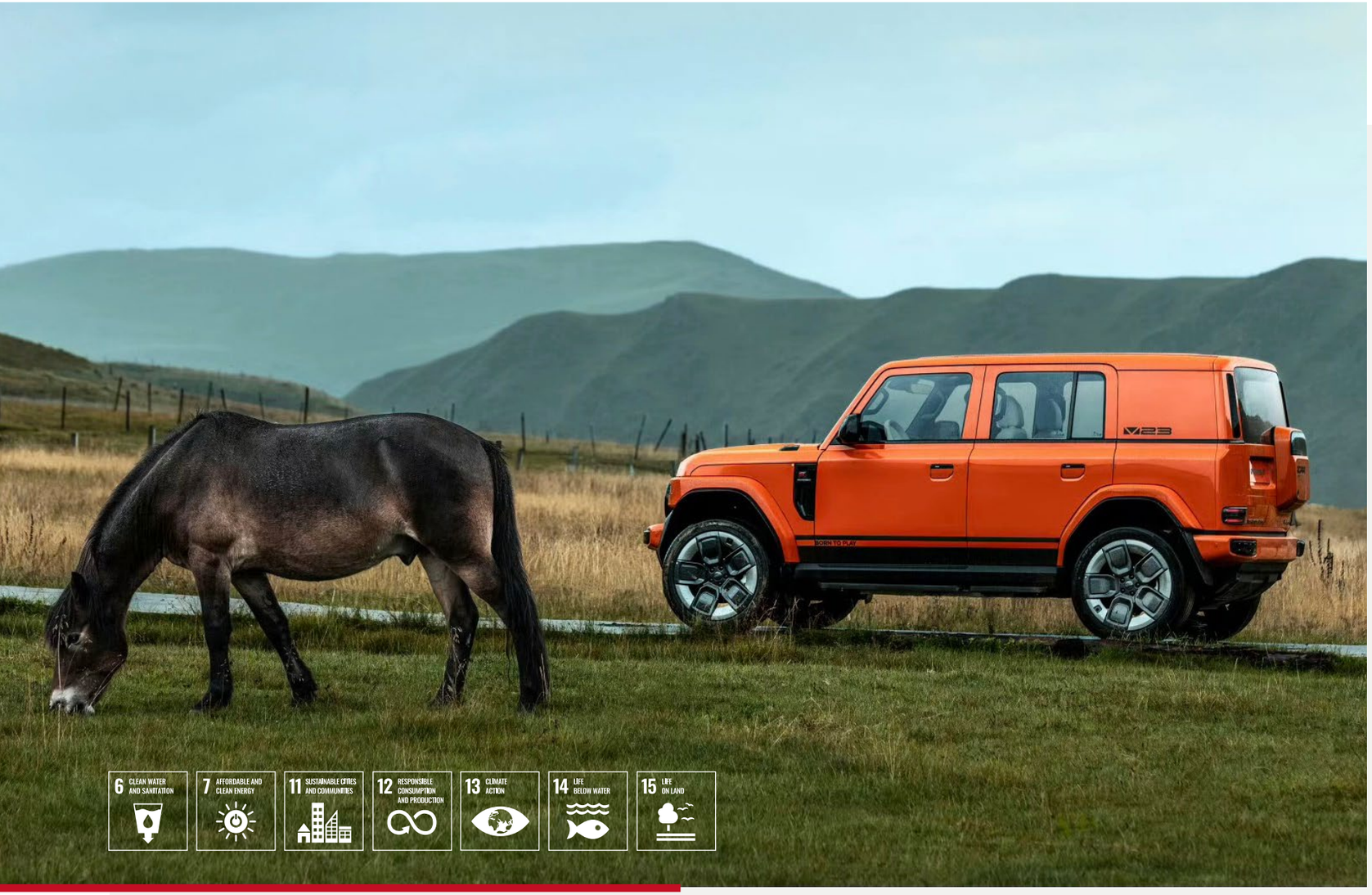
Privacy Protection Management

Chery Auto strictly complies with the *Personal Information Protection Law of the People's Republic of China*, the *EU General Data Protection Regulation*, and other relevant laws and regulations in countries and regions where it operates. The company integrates privacy protection into its overall risk and compliance management system, and formulates privacy policies for stakeholders including employees, customers, suppliers, dealers and partners. The Company also publicly discloses a *Privacy Statement* on the official website to responsibly use and protect personal information, and does not conduct any data collection activities without the consent of the data subject. Meanwhile, to safeguard data subjects' rights to access, rectify, erase, restrict processing, data portability and withdraw consent, the company has established and publicized multiple channels such as email addresses and hotlines to actively respond to requests from data subjects.

We implement "zero-tolerance" disciplinary control over violations and clearly define red lines for privacy protection and data compliance. Any violation will result in disciplinary action. In 2025, Chery Auto did not engage in secondary use of user data, and no user data or privacy leakage incidents, nor any litigation involving infringement of user data or privacy rights occurred.

In addition, the company has continuously promoted the development of its privacy information management system. During the reporting period, it conducted internal and external audits covering privacy protection systems, procedures and compliance of privacy policies, and obtained the ISO/IEC 27701 Privacy Information Management System Certification.

ISO/IEC 27701 Privacy Information Management System Certification



Protecting

Our Shared Planet

Chery Auto steadfastly upholds the core philosophy of "ecology first, green development", and is dedicated to being an active practitioner and leader in global sustainable development. In the face of climate change challenges, the Company drives technological innovation forward to accelerate the transition to new energy. It also deepens the construction of a low-carbon operational system and continuously enhances climate resilience and adaptability. Concurrently, we persistently strengthen environmental management, actively explore circular economy practices, and contribute to biodiversity conservation through concrete actions. In doing all these actions, we contribute to the harmonious coexistence of humanity and nature.

Material Topics

- Climate change addressing
- Energy management and efficient utilization
- Circular economy
- Water resource management
- Pollution prevention and emission management
- Biodiversity conservation

2025 Key Performance Indicators

- Annual sales of new energy passenger vehicles reached 826.5 thousand units, accounting for 31.41% of total sales
- The Kunpeng Tianqing hybrid-dedicated engine set a global hybrid efficiency record with a thermal efficiency of 48%
- The carbon footprint accounting coverage of all on-sale models reached 100%. The export model JAECOO 7 was awarded the first certificate for "China-EU Carbon Footprint Data Mutual Recognition"
- Leveraging our self-developed green, high-strength, and high-toughness integrated die-cast aluminum alloy material, we won the global runner-up award in the "Sustainable Product" category, becoming the first Chinese auto manufacturer to receive such high recognition for a core technological breakthrough in sustainable products
- All brands participated in biodiversity practices, carrying out conservation efforts in diverse ecological regions including the Mediterranean seagrass beds, the Hoh Xil Tibetan antelope migration area, and coral reefs in Southeast Asia, driving biodiversity conservation from single-point actions to collaborative development across multiple regions globally

Addressing Climate Change

2025 marks the tenth anniversary of the signing of the *Paris Agreement*. The UN Climate Change Conference (COP30) brings together global stakeholders to reach a consensus on multiple critical climate issues, ushering global climate governance into a crucial phase. Amidst the accelerated transformation of climate governance, Chery Auto is strengthening its top-level design for climate management by fully integrating climate change adaptation into its strategic planning, operational management, and business development. The Company leverages new energy technologies and products as a key pathway to promote collaborative carbon reduction across the entire value chain as well as inject inexhaustible momentum into global climate change addressing efforts.

Strengthening Climate Management

As a leader in the automotive industry, Chery Auto actively responds to international climate initiatives such as the *Paris Agreement* and the United Nations Sustainable Development Goals (SDGs), and fully advances climate governance and emission reduction actions. We make reference to "Part D: Climate-related Disclosures" of the HKEX ESG Reporting Code, the Task Force on Climate-related Financial Disclosures (TCFD), and the *IFRS S2 Climate-related Disclosures* issued by the International Sustainability Standards Board (ISSB). We conduct climate-related management and disclosures across four aspects: governance, strategy, risk management, and metrics and targets.

Governance

Climate Governance Structure

Chery Auto has established a climate governance structure where the Board of Directors oversees and makes decisions, the Sustainability Management Committee coordinates and synchronizes efforts, and various functional departments, brand divisions, and subsidiaries are responsible for execution. Climate change-related issues are discussed at least annually to set the direction and formulate plans for climate management, and to track progress toward climate goals. The Company has integrated climate-related performance into the assessment of remuneration for relevant senior executives to ensure deep integration of climate management with business strategy.

The Company places high importance on building climate governance capabilities. During the reporting period, four specialized training sessions were conducted for the Board of Directors, senior management, and sustainability management personnel. These sessions covered topics such as climate-related policies and regulations, carbon emission trading, and low-carbon transition pathways. They were designed to enhance the professional knowledge and technical capabilities of the climate governance, management, and execution bodies.

Strategy

In response to the increasingly severe and evolving climate environment, the Company has established a framework for managing climate-related risks and opportunities, along with adaptive strategies, to maintain its core competitiveness. We identify and select climate-related risks and opportunities relevant to the Company by integrating information on the Company's strategy, business model, industry characteristics, operational regions, and value chain. We then assess their impact on Chery Auto's business and financial performance via climate scenario analysis.

During the reporting period, the Company analyzed and assessed physical risks using the high emissions scenario (SSP5-8.5), medium emissions scenario (SSP2-4.5), and low emissions scenario (SSP1-2.6) published by the Intergovernmental Panel on Climate Change (IPCC) of the UN. For transition risks, we use the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) climate scenarios, selecting the Current Policies scenarios, Nationally Determined Contributions (NDCs) scenario, and Net Zero 2050 scenarios for evaluation. Based on the analysis results, we are further refining the Company's climate management strategy to transition comprehensively from commitment to action, and to accelerate resilience building and climate transformation.

Risk category	Risk item	Time horizon	Risk description	Response measures
Physical risks	Acute	◁◇▷	• Frequent extreme weather events such as heat waves, heavy rainfall, and severe cold may endanger the safety of employees and the Company's physical assets. They can also lead to supply chain disruptions and production halts.	• Enhance early climate warnings and forecasting, develop contingency plans, and strengthen response capabilities to extreme weather. • Establish safety stock and gradually strengthen in-house R&D and manufacturing capabilities for components.
	Chronic	◇▷	• Sustained high temperatures may affect production and operations.	• Invest in and upgrade intelligent ventilation systems, high-efficiency cooling equipment, and roof insulation materials. • Adopt high-temperature-resistant materials and intelligent temperature control systems to ensure effective operation of production equipment.
Transition risks	Policy and legal	◁◇▷	• As ESG regulatory requirements and international trade norms evolve, the Company will face more stringent regulatory demands and higher product export costs.	• Continuously monitor global ESG policies and regulatory trends, and strengthen climate change management to ensure that corporate operations and exported products fully comply with relevant laws, regulations, and standards.
	Technology	◁◇▷	• The Company will increase R&D investment to meet market demand for low-carbon products and technologies, but there is a risk that R&D progress may fall short of expectations.	• Optimize R&D strategies and enhance talent layout and expertise in core technologies.
	Market	◁◇▷	• Amidst the green and low-carbon transition, the new energy vehicle (EV) industry is rapidly developing. Traditional internal combustion engine (ICE) vehicles may lose market share and competitiveness. • Climate change may lead to supply shortages and price increase for raw materials.	• Actively explore fuel-saving technologies and improve the energy efficiency of traditional ICE vehicles while continuing to strengthen the new EV sector. • Enhance procurement management to ensure stable supply of incoming materials. Reduce reliance on single supply sources and explore and develop alternative materials.
	Reputation	◁◇▷	• Stakeholder attention to the Company's climate management performance continues to increase.	• Actively promote carbon reduction efforts across the entire product lifecycle and supply chain. • Conduct climate information disclosure to enhance brand resilience and reputation.

Opportunity category	Opportunity item	Time horizon	Opportunity description	Response measures
Energy sources	Increased proportion of renewable energy	◁◇▷	The market offers a growing supply of renewable or low-carbon energy, with diverse choices and balanced pricing.	• Invest in and construct distributed photovoltaic power generation to accelerate the optimization of the energy structure. • Sign long-term agreements with green electricity suppliers.
Products and services	Low-carbon products	◁◇▷	The market for certified low-carbon products grows, and consumers favor more environmentally friendly options.	• Accelerate innovation in new EV technology, continuously improve the performance of traditional ICE vehicles, and promote low-carbonization of products.
Resource efficiency	Circular economy	◁◇▷	Stricter vehicle recycling regulations and rising material costs are driving new business models such as battery recycling and component remanufacturing.	• Increase the proportion of recycled materials in new vehicle models and power batteries. • Establish a global distribution network for circular components.

Note: Taking into consideration the Company's business plans, climate management strategy, and climate-related policies in the countries or regions where its operations are located, we define the short-term, medium-term, and long-term time horizons as by 2030, by 2040, and by 2050, respectively.

◁ Short-term ◇ Medium-term ▷ Long-term

Risk Management

Climate-related risk management is fundamental to addressing climate change and strengthening business resilience and adaptability. The Company has established and continuously refined a process for managing climate-related risks and opportunities that encompasses our own operations as well as our upstream and downstream activities. This process is being progressively integrated into our overall corporate risk management framework. Through continuous monitoring and scientific management, we effectively control climate-related risks while promoting the deep integration of climate risks and opportunities into dynamic business development. This subsequently supports long-term sustainable business growth.

Climate-Related Risk and Opportunity Management Process

Risk and opportunity identification	We conduct multi-dimensional research on climate-related risks and opportunities. This research covers policies and regulations, emerging technologies, market dynamics, and other aspects in order to form a climate risk and opportunity inventory, which is then incorporated into the Company's overall risk map.
Risk and opportunity impact assessment	We introduce various climate scenarios to analyze the potential impact of key risks and opportunities on the Company's business and finance. We then identify operational management areas requiring improvement, strengthen the Company's climate resilience, and enhance the effectiveness of strategic decision-making.
Risk monitoring	The Risk Control and Audit Committee regularly reviews the status of climate risk management and prioritizes climate-related risks based on their likelihood of occurrence and impact. This continuously strengthens our dynamic monitoring and response to climate risks.
Risk and opportunity response and management	The Sustainability Management Committee is responsible for guiding the formulation of climate response strategies. It breaks down strategic tasks to various responsible departments through the Sustainability Management Execution Group, and promotes coordinated management of climate-related risks by relevant departments.

Metrics and Targets

Climate-Related Targets

Guided by the *Paris Agreement* and China's "3060" dual carbon goals, Chery Auto has set short-term, medium-term and long-term climate targets. The Company remains committed to promoting the comprehensive green and low-carbon transformation of its business and value chain, all while contributing to global low-carbon transition. During the reporting period, the Company actively promoted the implementation of energy conservation and carbon reduction measures, continuously deepened carbon emission reduction practices. The average greenhouse gas emissions per vehicle in manufacturing was 0.27 tonnes, a decrease of 9.42% compared with 2023.

2030	2037	2047
Short-term goal of GHG emission reduction	**Net zero goal of operation**	**Net zero goal of value chain**
Compared to the baseline year of 2023, achieve a 60% reduction in average GHG emissions per vehicle manufactured by 2030	To achieve net zero in its own operations by 2037, the company's 40th anniversary	To achieve net zero across the value chain by 2047, the company's 50th anniversary

Greenhouse Gas Emission Metrics

The Company continuously monitors annual greenhouse gas emissions, and conducts GHG inventories for Scopes 1, 2 and 3 in accordance with the *GHG Protocol* and with reference to ISO 14064-1:2018 *Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*. It regularly collects, analyzes and evaluates climate-related performance. In 2025, the Company's Scope 1 emissions amounted to 233,320.97 tCO2e, Scope 2 emissions (market-based) totaled 466,411.01 tCO2e, and total Scope 3 emissions reached 96,264,299.03 tCO2e. For more detailed information, please refer to the Performance Indicators in the Appendix.

Internal Carbon Pricing

During the reporting period, to continuously encourage proactive emission reduction and optimize resource allocation across departments, the Company introduced an internal carbon pricing mechanism for the first time. We applied shadow prices in vehicle manufacturing scenarios to monetize and quantify emission reduction results, assess the financial impact corresponding to carbon reduction, thereby providing support for the decision-making and implementation of more low-carbon solutions.

In 2026, the Company plans to further expand the application scope and coverage scenarios of the internal carbon pricing mechanism, and gradually extend it to battery and component manufacturing to achieve full coverage of Scope 1 and Scope 2 emissions. At the same time, we will actively explore feasible pathways to extend internal carbon pricing to the supply chain, synergize with the existing green procurement system, and further promote the green transformation of the supply chain.

Note: In 2025, the Company has tentatively set the internal carbon price at RMB 90/tCO_2e, based on the annual average price of the national carbon emissions trading market (CEA). This price will be adjusted in a timely manner according to market and policy changes.

New Energy Technologies and Products

New energy technology has become a strategic choice and core path for the green and low-carbon transformation of the global automotive industry. Chery Auto actively seizes the opportunities brought by the global green transformation of the automotive industry, systematically deploys a diversified power technology system, and accelerates the development of a new energy product matrix covering all market segments. We continuously optimize the resilience of our product portfolio and enhance our ability to address climate change risks. By providing users with lower-carbon and more efficient mobility solutions, Chery Auto supports the green and low-carbon transformation of society as a whole.

Clean Technology

The Company adheres to a diversified powertrain development strategy that embraces multiple technology routes including hybrid, extended-range, pure electric, and hydrogen energy. We have established a comprehensive R&D layout covering "four vertical and three horizontal" aspects, focusing on the three core areas of batteries, electric motors, and electronic control. We continue to increase R&D investment in key areas such as hybrid technology, pure electric technology, and clean fuels. We have broken through multiple core technological bottlenecks and continue to accelerate the construction of a diversified and high-performance powertrain technology system, and further solidify the technological foundation for the new energy transition.

In 2025

Total R&D investment in clean technology

approximately RMB **4.6** billion

In 2026

Target for total R&D investment in clean technology

expected to exceed RMB **8** billion

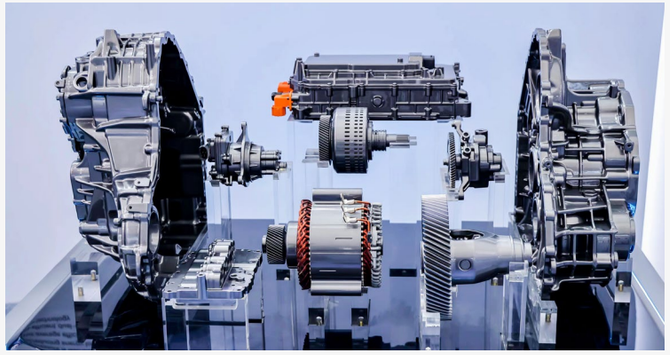
Hybrid Technology Leap

In the new energy era, hybrid technology, with its unique advantages of balancing fuel economy and electric drive, demonstrates broad development prospects and immense application potential. This makes it a significant engine for promoting green mobility. As one of the earliest companies in China to engage in hybrid technology exploration, Chery Auto has always been guided by user needs to continuously deepen its R&D of hybrid systems. We have achieved iterative upgrades and breakthrough innovation in multiple core technologies, and launched several hybrid powertrain products with global market competitiveness.

Case

Chery Auto's "Hybrid Night" - "China Hybrid, Leading the World with Intelligence"

On April 10, 2025, Chery Auto's "Hybrid Night" was held in Wuhu, Anhui Province, themed "China Hybrid, Leading the World with Intelligence". The Company presented a number of core innovative hybrid technologies, covering engines, transmissions, platform architectures and other fields. The independently developed Kunpeng Tianqing hybrid-dedicated engine achieved a thermal efficiency of 48%, striking an optimal balance between fuel economy and dynamic performance. Meanwhile, the R&D and large-scale application of key core components, including the C-DM 6.0 high-efficiency hybrid-dedicated engine and the DHT infinite variable super electric hybrid transmission, further improved the overall efficiency of the hybrid system. In terms of products, technological advantages have been translated into tangible energy efficiency results. The Chery Fengyun A9L equipped with the DHT Pro hybrid transmission delivers a combined fuel consumption as low as 2.49 L/100km, representing a significant reduction compared with gasoline vehicles in the same class, with carbon emissions cut by 61%.



Pure Electric Technology Advancement

In the realm of pure electric technology, the Company focuses on the three core areas of batteries, electric motors, and electronic control. It continuously promotes technological innovation to lay a solid foundation for performance enhancement and quality assurance of pure electric vehicles. We continue to deepen our independent battery R&D, successfully building an integrated battery technology system featuring ultra-fast charging, extended range, long-lasting durability, and multi-layer protection. Significant R&D progress has been made in prismatic lithium iron phosphate (LFP) batteries, prismatic ternary lithium batteries, and large cylindrical ternary lithium batteries. During the reporting period, the Company officially released the Rhino solid-state battery, continuing to reach new heights in terms of battery power.

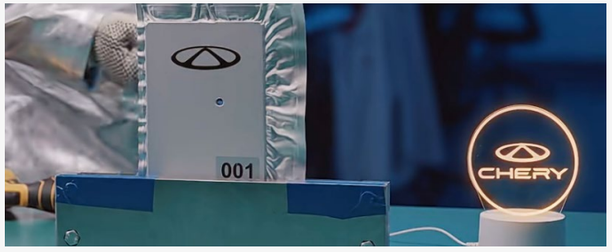
Furthermore, the Company cooperates extensively with leading global battery suppliers to enhance battery performance, safety, and lifespan. This effectively drives innovation and upgrades in battery management systems, further boosts the driving range and energy efficiency of the entire vehicle, and contributes to the development of more efficient and reliable new energy vehicle power solutions.

Ultra-fast charging	Supporting maximum 6C fast charging, allowing for 400 km of driving with just 5 minutes of charging. This enhances vehicle usability and reduces waiting time, thereby facilitating efficient and green mobility.
Extended range	Plug-in hybrid electric vehicles (PHEVs) and range extended electric vehicles (REEVs) offer a pure electric maximum driving range exceeding 300 km; Battery electric vehicles (BEVs) provide a pure electric maximum driving range exceeding 1,200 km, reducing reliance on traditional fuels and lowering GHG emissions during driving.
Long-lasting durability	Utilizing technologies such as intelligent temperature control and cell self-hibernating passivation to extend battery lifespan by 20% compared to the industry average. Based on state of health (SOH) or state of charge endurance (SOCE) metrics for battery degradation assessment, the average cumulative mileage for all vehicle models to reach an 80% SOH exceeds 160,000 km, with an average battery lifespan of over 8 years. This extends the service life of batteries, and reduces resource consumption and carbon emissions from battery production and recycling.
Multi-layer protection	The battery cells possess triple resistance capabilities against charging, heat, and pressure. The battery pack features multi-section energy absorption design technology, a six-layer bottom protection design, a comprehensive anti-collision design, and unique multi-force transmission technology, effectively mitigating the impact of collisions on the power battery. Through over 50 crash test scenarios, zero instances of spontaneous combustion and diffusion of the power battery occurred, providing a solid and reliable safety guarantee for the widespread adoption of new energy vehicle products.

Case

Chery Auto Released Rhino S Solid-State Battery Module

On October 18, 2025, the Company officially unveiled the Rhino S solid-state battery module at the Chery Global Innovation Conference, with plans to commence initial vehicle integration testing in 2027. This battery employs cutting-edge technologies such as an in-situ polymerization solid electrolyte boasting a cell energy density of 600 Wh/kg, which is more than three times that of current mainstream lithium iron phosphate batteries. Once installed, the vehicle's driving range is expected to reach 1,200 to 1,300 km, meeting user demands for long-distance travel while reducing recharging frequency and promoting low-carbon mobility.



The electric drive system, as a core power unit for new EVs, is a key enabler for improving energy efficiency and reducing carbon emissions. The Company is focused on the efficiency and integration of electric drive systems, independently developing the highly integrated seven-in-one Kunpeng Super Energy Electric Drive AEH240. This system utilizes the latest generation of silicon carbide (SiC) power modules, and achieves a maximum efficiency of 99.8% and a peak power of 240 kW. When equipped in the EXEED EXLANTIX ES model, this electric drive system achieves a CLTC integrated power consumption of 12.1 kWh/100 km and CO2 emissions as low as 33 g/km, representing an 81% reduction compared to equivalent ICE vehicles. Furthermore, we have introduced electric vehicles based on an 800-volt high-voltage electric drive platform, equipped with SiC power modules and high-efficiency permanent magnet synchronous motors. This elevates the overall efficiency of the electric drive system from the industry standard of 89% to 92%, significantly reducing vehicle energy consumption.

Clean Fuel Development

To further expand the boundaries of green power, the Company is actively advancing the development of clean fuel engines. The primary focus is on advancing cutting-edge technologies such as hydrogen engines and ethanol fuel engines, in order to explore diversified green energy solutions. The Company's self-developed 2.0-liter hydrogen ICE has successfully overcome critical technical bottlenecks in hydrogen utilization and addressed challenges related to the stability and safety of hydrogen fuel combustion. Validated by bench tests conducted by authoritative third-party institutions, the thermal efficiency of this hydrogen ICE has been significantly improved and has undergone a demo vehicle test on the EXEED VX platform.

Ethanol fuel, as a clean fuel derived from renewable biomass, can effectively reduce reliance on fossil fuels and decrease GHG emissions during use. The Company has been deeply involved in ethanol fuel technology R&D for over ten years, and overcome technical challenges such as difficult low-temperature startup, material corrosion, and component swelling associated with ethanol fuels. It has successfully developed three types of ethanol fuel engines: naturally aspirated, boosted port injection, and boosted direct injection, and has launched ethanol fuel engine products in markets such as Brazil and Thailand. This contributes to the low-carbon transition in the transportation sector. In 2025, the Company launched a hybrid ethanol fuel R&D project, with plans for its application in multiple models to offer users travel options that are both environmentally friendly and convenient to use.

Electronic synthetic fuel (E-FUEL) is a key cutting-edge direction in global energy transition, regarded as one of the critical pathways for emission reduction in existing ICE vehicles and decarbonization in aviation and shipping. In 2025, as the first Chinese automotive company to conduct research on E-FUEL preparation and its adaptation to ICE vehicle engines, the Company's "E-FUEL Technology Drives Green Energy Revolution" project, with its breakthroughs in electronic synthetic fuel, received the "Excellent ESG Case" honor at the "2025 China Enterprise International Image Building Case Selection" hosted by the Publicity Department of the CPC Central Committee. The project also received the "2025 Corporate ESG Excellent Cases Award" from the China Enterprise Confederation, marking significant progress the Company has made in its green and low-carbon technological innovation.

Note: Electronic synthetic fuel (E-FUEL) refers to liquid fuel produced by electrolyzing water with renewable electricity to obtain hydrogen and oxygen, and then combining the hydrogen with carbon dioxide captured from the air through a catalytic reaction process.

Low-Carbon Products

The Company integrates the philosophy of environmental protection, energy conservation, health and safety into the entire process of product design and R&D. Taking product carbon as a core focus, it accelerates low-carbon technology innovation and product iteration, and continuously enhances the green attributes of products. We have formulated policies including the *Measures for the Management of Carbon Footprint throughout the Life Cycle of Automobile Products* and the *Measures for the Development and Management of Model Carbon Footprint*, so as to standardize the product carbon footprint accounting process, and continuously promote the practical application and integration of carbon footprint accounting standards at home and abroad.

Case

Chery Auto Receives the First Certificate of Sino-European Automotive Carbon Footprint Mutually Recognized Vehicle Model

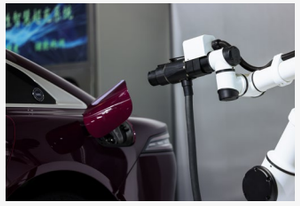
With the implementation of new international green trade regulations such as the EU's Carbon Border Adjustment Mechanism (CBAM), mutual recognition of carbon footprint data has become a crucial "green pass" for companies entering the global market. In 2025, the Company actively promoted synergy and mutual recognition of carbon footprint methodologies at the international level. We participated extensively in and jointly published the *Guideline for Sino-European Automobile Carbon Footprint Accounting, Verification, and Mutual Recognition*. Chery Auto became one of the primary architects of the world's first Sino-European framework for mutual recognition of automobile carbon footprints. Concurrently, our flagship export new energy vehicle, JAECOO 7, was awarded the first Certificate of Sino-European Automotive Carbon Footprint Mutually Recognized Vehicle Model at the CATC International Technical Expert Committee Meeting (CATC-ITEC) in Barcelona. It signifies the international authoritative recognition of our LCA system and carbon footprint data.

The Company adheres to a development strategy of "petroleum-electric synergy and integrated strengths". We leverage the synergistic development advantages of multiple brands including Chery, JETOUR, EXEED, iCAR, and LUXEED, and create a rich and diverse full-category new energy product matrix that covers all scenario needs, from mainstream family use to high-end intelligent vehicles, from all-terrain off-roading to trendy lifestyle travel. This provides global users with automotive products featuring long range, low energy consumption, and low carbon emissions, and promotes green and sustainable mobility. In 2025, the Company's new energy passenger vehicles accounted for nearly 90% of our new product launches, including multiple new energy models such as the Chery Fulwin A9L, JETOUR Zongheng G700, iCAR V23, and JAECOO 5.

Case

Chery Fulwin A9L: Technology Breakthrough for Low-Carbon Mobility, Making Green Value Tangible

The Chery Fulwin A9L is equipped with the Kunpeng Super Energy C-DM 6.0 powertrain system, which integrates the Kunpeng Super Hybrid-specific 1.5T engine and the stepless super electric hybrid DHT Pro. This flexible system can switch between multiple driving modes based on different driving demands, improving fuel economy and enhancing the driving experience. In terms of power batteries, the Chery Fulwin A9L features the Rhino Square Blade battery, with a tested pure electric range of 260 km and a comprehensive range exceeding 2,000 km. Moreover, it takes only about 14.5 minutes to charge from 30% to 80%.



Case

iCAR V23: Redefining the Boundaries of Sustainable Mobility

As a practitioner of intelligent low-carbon mobility, the iCAR V23 offers users a green travel experience covering all scenarios, and is driven by innovation in the three core electric systems (power battery, drive motor, and electronic control) along with an intelligent control system. The intelligent energy recovery system of iCAR V23 can dynamically adjust the recovery intensity based on road conditions. In congested traffic, it can recover an additional 5 to 8 km of range per trip, improving energy utilization efficiency. To address the challenge of winter range reduction, the iCAR V23 utilizes a heat pump technology for its heating system. This generates heat by recycling waste heat from the battery and reduces range decay by 8%.

Meanwhile, we are vigorously promoting the use of environmentally friendly materials and actively fulfilling our environmental protection responsibilities. The iCAR V23 adopts recyclable PP+EPDM-T30 for the front hood outer panel and PP-LGF30 for the inner panel. While achieving lightweight upgrading, this further improves energy efficiency and cruising range, and reduces carbon emissions during the vehicle use phase. In addition, the iCAR V23 innovatively applies bio-based PA11 material in the vehicle piping system to replace traditional petroleum-based plastics, reducing dependence and consumption of fossil resources from the raw material source.

Case

Zongheng G700: Setting a New Paradigm for Low-Carbon Off-Roading

The Zongheng G700 breaks the conventional perception of "high energy consumption" in luxury off-road vehicles through technological innovation. Centered around an engine with a thermal efficiency of 45.95% and coupled with an 800V architecture and intelligent energy management system, its fuel consumption is only 7.89 liters per 100 km under WLTC operating conditions. This represents more than a 30% reduction in energy consumption compared to traditional fuel-powered SUVs in the same class, maximizing the reduction of fuel consumption and carbon emissions at the source of power.

In 2025

Number of new energy passenger vehicles sold
826.5 thousand

Number of in-sale models with carbon footprint accounting
52

Average power consumption of BEV models (China - CLTC)
13.51 kWh/100 km

Average fuel economy of vehicles (China)
4.86 L/100 km

Proportion of new energy passenger vehicle sales to total sales
31.41 %

Coverage rate of carbon footprint accounting for in-sale models
100%

Average power consumption of BEV models (EU - WLTP)
16.09 kWh/100 km

Notes:1.WLTP (Worldwide Harmonised Light Vehicles Test Procedure) is the globally unified test procedure for light-duty vehicles.
2.CLTC (China Light Vehicle Test Cycle) is the driving cycle for light-duty vehicles in China.
3.All data related to the average energy consumption of BEV models is based on the Company's internal statistics and calculations.
4.During the reporting period, the Company formulated the *Management Measures for Vehicle Emission Data* and the *Development Operation Measures for Fuel or Electric Energy Consumption*. This established a differential analysis and management mechanism for vehicle emissions and energy consumption data, strengthened data quality and risk management and control capabilities and further enhanced the transparency, accuracy, and credibility of environmental data. The Company systematically collects real driving environment and non-periodic test data for vehicles under research, production, and sale. It also conducts comparative analysis with data officially reported to regulatory agencies, and introduces authoritative third-party data for cross-validation to ensure the reliability of the differential analysis. The Company's risk management department reviews the differential analysis report annually and thoroughly analyzes data difference trends, identifies potential risks, and formulates improvement measures. Key trends and significant differences are regularly reported to the Board of Directors to support strategic decision-making.

Carbon Reduction of Value Chain

To achieve the goal of net zero across the entire value chain, the Company systematically promotes synergistic carbon reduction on the entire value chain through improving systems and mechanisms, optimizing management processes, and empowering resources collaboratively. This accelerates the low-carbon transformation process.

Supply-Side Carbon Reduction

Supply-side emissions account for a significant portion of the carbon emissions of automobile companies. Collaborative carbon reduction by suppliers is crucial for the Company to achieve its carbon goals. During the reporting period, the Company set a target for core first-tier suppliers of vehicle manufacturing to achieve a green electricity usage ratio of no less than 60% by 2030. By leveraging the notion of "product carbon control + supply chain empowerment", the Company further expanded its supply chain carbon management pathways. Through concerted efforts both internally and externally, it promotes the low-carbon transformation and upgrading of the supply chain.

The Company takes product carbon as a core driver to accelerate the construction of a more environmentally friendly and low-carbon material supply system, continuously promoting the green substitution and recycling of materials in vehicle manufacturing. We are increasing the proportion of recycled body materials such as recycled steel, aluminum alloys, and plastics year by year, and prioritizing the procurement of recycled and reusable materials to replace virgin resources. In this way, we reduce energy consumption and carbon emissions in the raw material production stage. Simultaneously, we are gradually increasing the application of key recycled battery materials such as cobalt, nickel, and lithium to reduce the carbon footprint throughout the battery's life cycle.

Meanwhile, the Company strictly implements all requirements in the *Supply Chain Carbon Management Statement*. By incorporating suppliers' carbon emission management performance, emission reduction targets, actions and results into the whole process of supplier selection, access, performance evaluation and portfolio management, we encourage suppliers to actively carry out emission reduction management. In addition, we regularly collect data from all complete vehicle suppliers on the usage of production components, energy consumption, and green electricity consumption. We also require them to provide carbon footprint certificates to ensure the authenticity and traceability of carbon emission information on the supply side. Focusing on the key and difficult points of emission management for core suppliers, we provide them with thematic empowerment training and resource support. During the reporting period, we concentrated on key areas such as green electricity procurement and energy-saving renovation, providing suppliers with mature practical cases and guidance, and actively guiding them to promote green electricity procurement and the application of clean energy.

Note:For carbon reduction measures and practical results in the product use phase, please refer to New Energy Technologies and Products. For carbon reduction measures and practical results in the product recycling phase, please refer to Deepening the Circular Economy.

Manufacturing-Side Carbon Reduction

The Company's carbon emissions from manufacturing mainly come from production energy consumption and process heat consumption in key processes such as painting, welding, stamping and final assembly. During the reporting period, driven by near-term emission reduction targets, we comprehensively accelerated clean energy development, systematically implemented various energy-saving technology projects, and enhanced refined energy management through intelligent means. This greatly advanced the green and low-carbon transformation of production and manufacturing.

In 2025

Energy-saving technical renovation projects have cumulatively saved
16,808.08 MWh of energy

reduced carbon dioxide emissions by
8,852.05 tonnes

and reduced energy costs by RMB
11.5804 million

Total renewable energy consumption
508,355.13 MWh

Purchased green power
305,136.04 MWh

Installed capacity of grid-connected photovoltaic power generation
281.92 MW

Lean energy management

The Company strictly adheres to relevant laws and regulations such as the *Energy Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*. We have established a three-tiered energy management structure supervised by the Board of Directors and have formulated management system documents such as the *Energy Management Manual* and the *Energy Usage Management Measures* to ensure the standardized and systematic advancement of energy management matters. As of the end of the reporting period, 6 Chinese vehicle production bases obtained ISO 50001 certification for their energy management systems.

We have established an intelligent energy management platform (EMS) to regularly conduct assessments of energy usage and continuously improve the level of refined energy management. Relying on this platform, we have achieved real-time data collection and visualization of energy consumption throughout the entire production process. Concurrently, by integrating big data analytics and predictive algorithms, we identify areas of weak energy utilization and potential for energy saving to provide scientific decision-making support for setting energy-saving targets and developing action plans. In addition, we conduct energy-saving training and awareness campaigns for employees to reinforce their understanding of the importance of emission reduction and raise their awareness of energy-saving.

EMS Platform Functions

Energy reports

Statistics of energy consumption data by organizational unit, supporting customization and automatic distribution.

Meter and equipment ledger

Integrated management of information and data for metering and equipment.

Key data monitoring

Monitor all energy data in the plant area and identify upper/lower limits for automatic alarm triggering.

Energy consumption analysis

Visualize and customize energy consumption data of organizational units, and analyze using mathematical algorithms.

Energy and carbon dashboard

3D visualization of overall energy consumption, carbon emissions, equipment, and photovoltaic (PV) systems for stamping, welding, coating and final assembly processes.

Power system

Draw electrical diagrams and visually monitor key data such as insulation, heat preservation and temperature control.

Expert dashboard

Track energy consumption at the production line and main equipment levels, and intelligently analyze energy consumption anomalies.

Energy and carbon flow

Full lifecycle tracking of energy and carbon emissions for plant areas, workshops, and production lines.

Organizational carbon management

Automatically aggregate energy data to complete organizational carbon accounting.

Boiler system

3D visual monitoring of the boiler system and provision of AI algorithm-based control recommendations.

Refrigeration system

3D visual monitoring of the refrigeration system and provision of AI algorithm-based control recommendations.

Air compression System

3D visual monitoring of the air compression system and provision of AI algorithm-based control recommendations.

Multi-dimensional energy-saving improvement

We set annual energy-saving targets and formulated the *Energy Saving Management and Technical Project Proposal and Implementation Control Procedures* to standardize energy-saving management processes and ensure the effective implementation of energy-saving measures in production stages such as painting, welding, stamping, and final assembly. At the same time, we continue to increase our efforts and resource investment in introducing energy-saving technology innovation projects. We constantly explore new technologies and pathways for efficient energy utilization, so as to provide technical assurance for continuous energy consumption reduction. In 2025, we carried out several energy-saving technical renovation projects, including variable frequency motor energy-saving upgrade, compressed air system modification, dryer equipment upgrade, boiler operation improvement, and the promotion of high-efficiency LED lighting. These initiatives cumulatively saved 16,808.08 MWh of energy, reduced carbon dioxide emissions by 8,852.05 tonnes, and reduced energy costs by RMB 11.5804 million.

Clean energy development

We fully consider the environmental aspects of energy, and prioritize renewable and low-pollution sources. We continuously promote the application of photovoltaic power generation technology and the development of related projects to build a competitive advantage in green and high-quality productivity. In 2025, the Company's cumulative installed capacity for grid-connected photovoltaic power reached 281.92 MW, and purchased green power amounted to 305,136.04 MWh. This further increased the proportion of clean energy used in production and operation.

Aerial Photograph of Rooftop Photovoltaic (PV) System at Smart Manufacturing Plant 1

Operation-Side Carbon Reduction

To mitigate climate change, the Company attaches great importance to its own operational decarbonization management and continuously builds a green operation system. During the reporting period, the Company focused on operational areas such as park construction, employee commuting and business travel, implemented various carbon reduction measures, and actively fulfilled its commitment to green development.

Green industrial Park	Industrial plants adopt green building design standards. Public buildings such as the catering center, management center, and main gatehouse are strictly planned and constructed according to China's national two-star green building standard. Factory buildings also achieve lighting energy savings by maximizing natural light, and 100% of the roads there use high-efficiency LED green lighting systems.
Green commuting	We actively encourage green commuting methods, promote the electrification of shuttle buses, and gradually reduce the use of traditional ICE vehicles. A total of 1,193 charging stations for new energy vehicles are equipped within production and office areas to provide basic support for the use of new energy vehicles and further enhance the convenience of green commuting for employees and increase their enthusiasm for it.
Green travel	We prioritize online meetings to reduce unnecessary offline business travel. For travel needs that are essential, we strictly control the frequency of air travel and, when the itinerary allows, opt for low-carbon travel methods such as high-speed rail.
Green office	We promote a paperless office model, and rely on digital office systems to reduce the use of disposable consumables such as paper. Smart timed control systems for water dispensers are fully implemented in office areas. Guidance signs for low-carbon travel and energy-saving tips are posted in public areas such as elevator lobbies to guide employees in practicing green behaviors.

Logistics-Side Carbon Reduction

In logistics, the Company has continuously focused on building a low-carbon logistics system and accelerated the low-carbon transformation of logistics and transportation. In 2025, enabled by digital intelligence, the Company fully optimized the design of logistics system management to achieve efficient allocation of transportation modes, network layout and vehicles. Relying on the logistics information system, it realized the tracking and dynamic control of carbon emission data, providing data support and technical guarantee for logistics carbon reduction.

Case

Digital and Intelligent Logistics Model Application

In 2025, relying on the established Intelligent Logistics Technology Research Institute, we continued to promote the R&D and application of various logistics digitalization models, which further improved the operational efficiency and green level of the logistics system.

Vehicle logistics

Considering both transportation cost and carbon emissions, the Company developed an optimization model for transit depot location and multimodal transport, scientifically planning the optimal transport routes and raising the proportion of rail-water combined transport by 12.68%. Meanwhile, a consolidation model for LSP orders was developed, shortening the Order-to-Delivery (OTD) cycle by 1.11 days and effectively improving transport efficiency.

Spare parts logistics

To address uneven warehouse coverage, the Company redesigned warehouse layout and service scope using the spare parts network optimization model, raising the next-day delivery coverage in certain regions from 50.44% to 80.01%.

Parts logistics

Based on the relay location model, milk-run and intelligent loading algorithms, automatic order consolidation and route optimization were realized. Specifically, the transportation route in the Changzhou hub has been shortened by 32%, vehicle trips reduced by 26%, and loading efficiency improved by 7.7%.

International logistics

For KD (Knock-Down) parts export transportation, a location and route optimization model was established to systematically plan packaging center locations and transport routes, reducing redundant transportation links. To effectively address the increasing complexity of the logistics network brought by overseas business growth, an intelligent location and route collaboration model for overseas transit warehouses was deployed to optimize the warehouse network layout in the Southwest region.

Efficient transportation model

The Company systematically optimized the transportation network through a dual approach of the Milk Run and Trunk Line Transportation models. By combining models such as same-city Milk Run, multi-location consolidation, and shipment consolidation, we significantly improve vehicle loading efficiency and reduce empty-loaded rate and unnecessary transportation mileage.

Low-Carbon transportation network

In mainline transportation, the Company vigorously promotes green and low-carbon modes such as rail and waterway transport, continuously increases the proportion of rail-water combined transport, and optimizes the transportation structure. In 2025, the combined share of rail and waterway transportation reached 49.08%.

Green transport vehicles

During the reporting period, the Company has introduced new energy vessels on some Yangtze River waterway routes, including the LNG-fueled ship, Jiangyun Minsheng. This has effectively reduced fuel consumption and carbon emissions in water transportation, with an annual carbon emission reduction of 400 tonnes, supporting the green and low-carbon transformation of logistics.

Digital management tools

Establish an integrated digital logistics management system covering all stages of orders, transportation, warehousing, and settlement. Deeply apply five core logistics models and leverage the Transportation Management System (TMS) to achieve real-time and precise control throughout the entire transportation chain. Continuously promote the digital upgrade of logistics transportation and the intelligent transformation of decision-making, further enhancing logistics transportation efficiency.

Enhancing Environmental Management

Chery Auto implements comprehensive and lean management and control over environmental and resource management across all stages of the product lifecycle. The Company consistently places ecological environmental protection as a core strategy for sustainable development, continuously improves its environmental management system, and optimizes resource utilization efficiency to achieve coordinated development with the environment, all while ensuring business growth.

Environmental Management System

Chery Auto strictly adheres to various domestic and international policies and regulations, including the *Environmental Protection Law of the People's Republic of China*, the EU's *Industrial Emissions Directive*, and the *Regulation on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)*, as well as conventions such as the *Convention on Biological Diversity of the United Nations*. This ensures that all lifecycle business activities comply with relevant regulatory standards, thereby minimizing negative impacts on the environment and ecology. During the reporting period, the Company had no environmental non-compliance incidents.

To ensure the effective implementation of environmental management, we have established a hierarchical environmental management structure to clearly define management responsibilities and authorities at each level. This forms a top-down, coordinated environmental management working mechanism.

Environmental Management Structure

Safety and Environmental Committee	Chaired by the Chairman, the Safety and Environmental Committee serves as the highest decision-making body for safety and environmental protection, responsible for approving the Company's environmental strategic plans and major decisions.
Safety and Environmental Committee Executive Committee	Responsible for coordinating daily environmental management work, developing implementation plans, and coordinating cross-departmental resources.
Safety and Environmental Department	Responsible for fulfilling supervisory duties, promoting the implementation of various environmental systems, and driving the completion and improvement of environmental indicators.
Various Business Units	Responsible for the specific implementation of environmental management rules and ensuring the effective execution of the Company's environmental management requirements.

As of the end of the reporting period, 100% of our vehicle production bases in China have obtained ISO 14001 Environmental Management System certifications. Relying on the ISO 14001 Environmental Management System as our core framework, we systematically review environmental laws and regulations in areas such as ecological protection, atmospheric emissions, wastewater discharge, solid waste treatment, and soil conservation. We have also established supporting documentation, including the *Environmental Management Manual, Water Pollution Prevention and Control Procedures, Atmospheric Pollution Prevention and Control Procedure, Hazardous Waste Management Regulations*, and *Management Measures for Automatic Monitoring Facilities of Pollution Source*s. This provides a robust systemic institutional foundation for the standardized and lean implementation of our environmental management practices.

To translate system requirements and institutional norms into actionable, traceable management practices, we have developed an "Integrated Safety and Environmental Platform". By consolidating the panoramas of core businesses across 6 modules– system management, fire safety, work safety, public security and traffic management, health promotion, and environmental protection – as well as 86 management elements, we are comprehensively shifting management scenarios from offline to online in order to enable real-time tracking and precise management and control of safety and environmental data. In 2025, we continued to enhance the development of our "Integrated Safety and Environmental Platform", and focused on projects such as integrated smart fire management and control at the Wuhu base, AI-based real-time early visual warnings for error prevention in critical areas, and intelligent transportation. These measures have further improved both our ability to predict safety and environmental risks as well as the efficiency of management. As of the end of the reporting period, this platform covered all Chery Auto's production bases in China, achieving 100% online management of businesses.

The effective operation of the environmental management system relies on the deepening of environmental awareness and the improvement of capabilities among all employees. To this end, the Company has continuously carried out environmental management training to provide talent support for the efficient operation of the system. In 2025, the Company organized a total of 9 specialized environmental protection training sessions, covering key areas including cleaner production, zero waste to landfill, operation of waste gas treatment facilities, sewage station and wastewater treatment processes, construction dust control, and ecological environmental protection and restoration. The training covered safety and environmental management personnel, key environmental personnel, and general employees, effectively strengthening the environmental management capacity of employees at all levels and continuously improving environmental performance.

Pollution Prevention and Emission Management

Chery Auto strictly adheres to the legal and regulatory requirements for pollution prevention and control in all its operational locations. It also implements full-process supervision in core environmental management and control areas such as exhaust gas, wastewater, solid waste, and noise. Concurrently, we continuously strengthen our pollution prevention system and optimize pollution control measures to make sure that all types of pollutants are treated to fully comply with legal standards, guarantee compliant management and control of hazardous substances, and fulfill our dual commitment to compliant emission reduction and sustainable operation.

Exhaust Gas Management

Exhaust emissions from the Company's production operations mainly originate from core processes of automobile and parts manufacturing, including stamping, welding and painting. The pollutants include Volatile Organic Compounds (VOCs), Nitrogen Oxides (NO_2), Sulfur Dioxide (SO_2) and Particulate Matter (PM). To this end, the Company has formulated internal management systems such as the *Air Pollution Prevention and Control Procedure*, and established a three-in-one exhaust gas treatment system featuring source prevention, process control and end-of-pipe treatment, realizing the systematic management and control of VOCs. At present, the Company's VOCs emission indicators are fully superior to the requirements of the national *Fugitive Emission Standard of Volatile Organic Compound*s.

Source substitution	Adopt B1B2 compact painting process without intermediate coating, low-VOCs water-based paint, and high-efficiency anti-corrosion and eco-friendly coating technology to reduce the generation of VOCs and other pollutants at the source; emissions are reduced by 25% to 35% compared to traditional processes.
Process control	Adopt high-efficiency electrostatic robotic spraying technology for inner and outer surfaces, mini color rollerball system, and circulation air technologies to significantly enhance spraying efficiency and reduce VOCs emissions. The processes of paint mixing, spraying, leveling, drying, and cleaning are conducted within a sealed, negative-pressure environment. Raw materials such as paint, adhesives, cavity wax, along with process waste (paint sludge, waste organic solvents, etc.), are stored in sealed containers to prevent fugitive VOCs emissions.
End-of-pipe treatment	Adopt environmental protection technologies such as dry spray booth mist paper box filtration, seolite rotor adsorption concentration, and three-chamber regenerative thermal oxidiser (RTO) incineration treatment to achieve up to 91.6% VOCs purification efficiency, significantly reducing the concentration and total volume of exhaust pollutants.

Three-Chamber Regenerative Thermal Oxidizer (RTO)

Wastewater Management

The Company has established a scientific and sound water pollution prevention and control management system, and formulated management systems including the *Water Pollution Prevention and Control Management Measures and the Water Pollution Prevention and Control Procedure.* The Company also implements standardized management of workshop wastewater, catering wastewater and domestic wastewater generated from production and operations, realizing 100% compliant treatment of wastewater. To guarantee that treated wastewater meets the national *Integrated Wastewater Discharge Standard, Wastewater Quality Standard for Discharge into Urban Sewers* and local discharge requirements, the Company regularly entrusts qualified third-party monitoring institutions to conduct wastewater quality testing, and carries out real-time dynamic monitoring of pollution indicators at discharge outlets through an intelligent automatic monitoring system for pollution sources.

Solid waste Management and Control

Hazardous waste generated during the Company's production and operation primarily includes paint sludge, waste water-based solvents, contaminated waste, waste lead-acid batteries, and biochemical sludge. Non-hazardous waste primarily includes waste wood, waste rubber, waste steel, waste aluminum, waste copper, and domestic waste. To deal with the waste, we have implemented systems such as the *Solid Waste Pollution Prevention and Control Management Procedure,* the *Hazardous Waste Management Measures, and the Hazardous Waste Storage Safety Management Measures.* These systems standardize every aspect of waste management, including classification, storage, compliant disposal, and record-keeping, to minimize the negative environmental impact of solid waste.

Full-process Solid Waste Management

Classification	Storage	Compliant disposal	Record-keeping
Solid waste is identified and classified according to standards such as the *National Catalogue of Hazardous Wastes and Identification Standards for Solid Wastes.*	Storage facilities compliant with standards such as the *Standards for Pollution Control on the Storage and Disposal Site for General Industrial Solid Wastes* and the *Standard for Pollution Control on Hazardous Waste Storage* are constructed to prevent secondary pollution generated from solid waste.	Solid waste is handed over to qualified third-party service providers for treatment in strict accordance with environmental protection requirements.	Detailed records of waste categories, generation volumes, transportation methods, and disposal methods are maintained in the solid waste ledger.

Hazardous Waste Management

Our objective for hazardous waste is 100% compliant disposal. We have established specialized temporary storage sites within the factory premises for standardized interim storage and entrust qualified third-party institutions for their transfer and final disposal. We have procured intelligent weighing equipment for hazardous waste, enabling automatic generation of hazardous waste labels and precise data collection. This mitigates potential risks such as exceeding storage time limits and quantities and further reduces the environmental impact of hazardous waste.

Our management objective is to reduce hazardous waste generation per unit of product by 2% in 2026 compared to 2025. We have implemented specific initiatives focusing on process optimization and upgrading, modification of specialized equipment, and recycling of residual materials to steadily advance the process of hazardous waste minimization.

Intelligent Weighing Equipment for Hazardous Waste

Non-hazardous Waste Management

For non-hazardous waste, we practice segregated collection and adhere to the principle of prioritizing resource utilization. We directly reuse waste materials that meet the criteria. For those that cannot be directly reused, we entrust third-party institutions to recycle or transport them to waste treatment plants designated by environmental protection authorities for disposal.

We actively identify recyclable non-hazardous waste and promote its resource utilization. In 2025, we continued to apply low-temperature drying technology to treat industrial sludge,steadily advancing the reduction of sludge waste.

In 2025

Non-hazardous waste
243,408.61 tons

Hazardous waste
20,796.33 tons

Total waste recycled
247,909.32 tons
accounting for **93.8%** of the total waste

Thanks to the Company's professional and standardized waste management and control measures during the reporting period, it received the "Diamond Level" Zero Waste to Landfill certification and was recognized as a "Waste-Free Factory" by Wuhu City.

"Diamond Level" Zero Waste to Landfill Certification

Wuhu City "Waste-Free Factory" Certification

Case

Chery Auto Conducted Specialized Training on "Zero Waste to Landfill Management System"

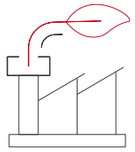
To further enhance the environmental responsibility awareness of all employees, systematically improve their professional capabilities in waste management, and effectively implement waste minimization, resource recovery, and harmlessness management, Chery Auto organized specialized training on the "Zero Waste to Landfill Management System" in March 2025. This training systematically explained the zero-landfill waste management concept centered on the 7R principles (Refuse, Reduce, Reuse, Recycle, Recovery, Recognition, and Regulation), and provided in-depth explanations of specific practical requirements such as waste classification, compliant waste disposal, and waste recycling. This helped personnel in various roles clarify their responsibilities and key execution points in zero-landfill waste management work, and provided strong support for the construction of waste-free factories along with the improvement of environmental management.

Noise Control

The main noise sources of the Company include presses in the stamping shop, supply and exhaust fans in the painting shop, air compressors in the air compressor station, and other operating equipment. In response to these noise sources, the Company carries out management in strict accordance with relevant regulations and internal systems such as *the Noise Pollution Control Procedure.* It entrusts qualified third-party monitoring institutions to conduct day-and-night monitoring of noise at the factory boundary on a quarterly basis, and all monitoring results meet *the Emission Standard for Industrial Enterprises Boundary Noise.* To further control noise pollution precisely, low-noise and low-speed equipment is adopted in the assembly, stamping and painting workshops. Meanwhile, sound insulation, noise reduction, sound absorption and vibration damping measures are implemented for production equipment, greatly reducing the impact of production noise on employees' health and the surrounding environment.

Hazardous Substance Management and Control

The Company strictly follows laws and regulations, industry standards, and international initiatives concerning hazardous substance management and control, such as China's *Requirements for Prohibited Substances on Automobiles,* the EU REACH Regulation, and the *Stockholm Convention on Persistent Organic Pollutants.* We have established systems such as the *Commitment to Hazardous Substance Management, Measures for the Administration of Automobile Hazardous Substances and Recycling Rate*, and built a hazardous substance management model centered on "source prohibition, strict process control, and verifiable results". This clarifies hazardous substance management requirements throughout the entire product lifecycle from design, procurement, production, use to recycling, and is committed to providing high-quality environmental protection products to society.



Note: All products sold by the Company contain hazardous substances restricted by the REACH Regulation. While the proportion of operating revenue generated by products containing regulated substances is 100%, the content of relevant hazardous substances in these products is 100% compliant with the limit requirements.

Full-lifecycle Control of Hazardous Substances

Design	• We have established and implemented an internal list of prohibited and restricted substances that exceeds industry standards. This list covers substances regulated under automotive hazardous substance regulations in all markets where the Company's products are sold, including polychlorinated biphenyls and short-chain chlorinated paraffins.
Procurement	• We require suppliers to provide compliance reports or declarations for prohibited and restricted substances, such as hazardous substance assessment reports and declarations of non-reusable parts.
Production	• We develop environmentally friendly materials, such as bio-based materials, to reduce VOC emissions like formaldehyde and benzene, ensuring compliance with organic pollutant restrictions. • We continue to build testing capabilities for high-risk substances listed in Annex XVII of the REACH Regulation, with the goal of achieving comprehensive assessment of their potential impacts on human health and the ecological environment.
Use	• We utilize environmentally friendly processes and water-based paints and adhesives to reduce the use of heavy metals such as lead and chromium, and ensure that mercury and cadmium content in batteries comply with regulatory limits.
Recycling	• We carry out professional recovery, separation and harmless disposal of heavy metals and other hazardous substances in end-of-life vehicles. Specific standards include limits of 0.1% for lead, mercury, hexavalent chromium, polybrominated biphenyls and polybrominated diphenyl ethers, and 0.01% for cadmium. Meanwhile, asbestos is prohibited and the use of polycyclic aromatic hydrocarbons is restricted, minimizing environmental pollution.

Relying on a comprehensive hazardous substance control system, the Company steadily advances the reduction and substitution of hazardous substances while ensuring vehicle environmental performance meets standards and complies with regulations. For high-concern substances (such as fluorinated chemicals) that may be subject to future regulatory restrictions and have potential adverse impacts, the Company actively conducts R&D of alternative technologies and engineering validation. As of the end of the reporting period, the Company had completed preliminary research and validation of natural carbon dioxide (R744) refrigerant technology, gradually reducing reliance on traditional fluorinated refrigerants and laying a strong technical foundation for responding to the European regulatory requirements for per- and polyfluoroalkyl substances (PFAS) and the global trend of tightening environmental regulations.

Water Resource Utilization

Water used in Chery Auto's production and operations primarily comes from municipal water supplies. To ensure water resource security and efficient utilization, we have clarified our water resource management policy and requirements in the *Occupational Health, Safety, and Environment Policy Statement*, *and have established* a scientific and comprehensive water resource management system. During the reporting period, we encountered no issues in obtaining appropriate water sources.

We always focus on improving the efficient use of water resources and have set an annual water-saving management target of at least a 3% reduction in water consumption per vehicle. We continue to conduct water use assessment and diagnosis, further identify water-saving potential in each production process, and promote the implementation of water-saving opportunities. The Company has made concerted efforts in three core areas: reducing water consumption, recycling water, and promoting water-saving awareness, to comprehensively lower the potential impact of production and operations on the water environment. With outstanding practices in the intensive use and lean management of water resources, we have been awarded the title of "Water-Saving Enterprise".

Reducing Water Consumption

- We implement lean production management and repair and rectify leaks in the underground municipal water pipeline network.
- Water-saving faucets are installed, and green office practices are promoted.
- Daily inspections are conducted on the operational status of water-saving and water-conveying equipment and facilities to promptly address any discovered faults.

Recycling Water

- **Reclaimed water reuse:** Relying on the core treatment processes of our wastewater treatment station, domestic sewage and production wastewater are treated to reuse standards and applied to non-production water usage segments within the plant, such as toilet flushing and landscaping. In 2025, the Company's two factories in Wuhu achieved an annual cumulative reuse of 190,000 tons of reused water for toilet flushing and landscaping.
- **Industrial wastewater recycling:** We have introduced specialized technical equipment to treat industrial wastewater, bringing it up to reuse standards for applications such as makeup water for circulating cooling systems.
- **Other water resource recycling:** We have implemented a project to reuse air conditioning steam condensate, reducing the consumption of steam for heating and condensate for humidification. We have also installed rainwater harvesting systems to utilize treated water for landscaping and ground flushing.

Water Conservation Promotion

- We conduct water-saving training courses to enhance employees' awareness of water conservation.
- We also actively promote water-saving concepts during the World Water Day and China Water Week.

Deepening the Circular Economy

Chery Auto has established a closed-loop circular economy management system encompassing "design-production-recycling-regeneration". From the design stage, we integrate green design principles of recyclability and reusability to strengthen the circular attributes throughout the product's entire lifecycle. Our focus is on four core areas: end-of-life vehicle and used parts recycling; power battery recycling; used oil regeneration; and circular packaging. This approach has resulted in more efficient circular use of resources, reducing both the dependency on natural resources and the environmental impact of production and operation.

Eco-design and Sustainable Materials

In terms of eco-design, we adopt green design strategies of making it modular, standardized, platform-based, easy to disassemble, and recyclable during the early stages of product development, thereby enhancing the resource circularity of our products at the source. Concurrently, the Company continues to optimize vehicle body structures by adopting designs featuring low aerodynamic drag, integrated closure panels, and functional integration of key components, while actively advancing R&D in automotive lightweighting technologies. Through the use of lightweight materials such as ultra-high-strength steel, the Company reduces raw material consumption while enhancing overall vehicle performance, thereby meeting the core requirement of "source reduction" from the design perspective.

In terms of the application of sustainable raw materials, we have extensively promoted the feasibility study on the use of renewable and recyclable environmental protection materials, and established long-term cooperative relationships with suppliers, industry associations, research institutions and other parties to jointly formulate and promote the best practices and standard requirements for sustainable raw materials. The Company encourages suppliers to obtain third-party certification, commits to giving priority to purchasing sustainable raw materials verified by third-party institutions, and ensures the full-chain traceability of raw materials. As of the end of the reporting period, the Company has achieved the mass application of various types of environmentally friendly materials in vehicles. Among them, recycled metal materials such as recycled aluminum and recycled steel have been applied to the production of body structural parts and components; while recycled plastics such as recycled polypropylene have also been widely used in the production of internal and external decorative parts.

Case

Chery Auto Won Global Runner-Up in the "Sustainable Product Category" at the 2025 Altair Enlighten Award

On September 16, 2025, Chery Auto won the global runner-up in the "Sustainable Product Category" at the Altair Enlighten Award ceremony with its "Answering Earth with Low-Carbon Recycled Aluminum" project. Chery Auto became one of the first Chinese automakers to receive such high recognition for core technological breakthroughs in sustainable products. It is also the first company globally to win this award based on recycled low-carbon aluminum alloy technology.

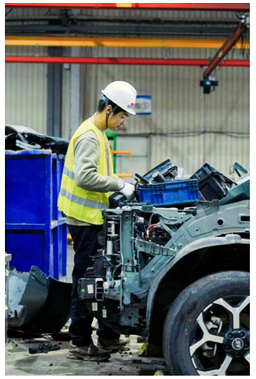
The award-winning project is the "100% Recycled Aluminum + Heat Treatment-Free + Integrated Die Casting" technology independently developed by Chery Auto. Compared with traditional technology, this technology adopts 100% recycled aluminum and innovatively applies the heat-treatment-free integrated die-casting process, reducing energy consumption in manufacturing by more than 97%. It is estimated that approximately 3.27 tons of carbon emissions can be reduced per vehicle produced. At present, this achievement has been the first to achieve mass production and application on Chery's E0X global ultra-comfortable, high-performance electric platform, providing a replicable and scalable solution for the large-scale application of recycled materials across the industry.

End-of-life Vehicle Recycling and Reuse System

The Company strictly complies with domestic and international environmental regulations, including the EU ELV Directive (2000/53/EC), RRR calculation method (2005/64/EC), and *China's Administrative Requirements for Hazardous Substances and Recyclability Rate of Automobiles.* It has established the *Technical Specification for Vehicle Recycling and Utilization* to standardize the recycling of end-of-life vehicles. To build a standardized national recycling network, the Company has signed cooperation agreements on end-of-life vehicle recycling and dismantling with sales and service companies, realizing nearby collection and compliant transportation of scrapped vehicles through terminal service channels. Meanwhile, it has established an online recycling entry point through the used vehicle business section on its official website, enabling the standardized recycling of end-of-life vehicles nationwide.

Meanwhile, we have deepened industrial chain collaboration. Partnering with Ruiyuan International Resources Investment Co., Ltd. ("Ruiyuan International"), a subsidiary of Chery Holding, we have carried out in-depth cooperation on recovered vehicles, and explored end-of-life vehicle dismantling and parts remanufacturing to enhance the value of resource circulation. In 2025, Ruiyuan International undertook the recycling and disposal of some of the Company's products and materials. Through this cooperative project, the Company has achieved a 97% ratio of products and materials actually reused or recycled, while various recycling programs delivered a total revenue of RMB 559,849,700.69.

End-of-life vehicle dismantling	By optimizing pre-treatment equipment and processes, we have achieved a fuel drainage rate of 99% (significantly higher than the industry requirement of 95%), effectively reducing the risks and safety hazards posed by residual fuel during end-of-life vehicle dismantling. Meanwhile, lean dismantling is carried out according to vehicle structure and material properties, resulting in more than 30 types of materials for resource reuse and a material reuse rate of over 95%, greatly enhancing the circular value of end-of-life vehicle resources.
Parts remanufacturing	We conduct reuse inspection and repair work for key parts such as onboard chargers, high-voltage heaters, electric compressors, and lamps. In 2025, remanufactured parts were successfully reused in Chery Auto's parts market, including 2,292 onboard chargers, 2,144 high-voltage heaters, 1,476 electric compressors, and 7,414 lamps. Through the efficient circular reuse of parts, we significantly reduced the consumption of primary resources.



Power Battery Recycling and Echelon Utilization

The Company has established a comprehensive traceability management system for the entire lifecycle of power batteries. By formulating the *Power Battery Traceability Management and Control Procedure,* we have standardized the traceability requirements across R&D, production, sales, and after-sales service. We implement a full-process information collection and uploading mechanism to ensure the completeness and traceability of battery recycling and utilization information, thereby effectively reducing environmental risks. Since August 2018, the power batteries of new energy vehicles sold in China have been included in the National Power Battery Traceability Management Platform. Building on this, we have further established a power battery recycling system and set up recycling points at 618 Chery Auto sales and service 4S stores nationwide to ensure the standardized collection and traceability management of retired batteries.

Meanwhile, we focus on the high-value utilization of retired power batteries, and actively explore their echelon utilization value together with Ruiyuan International. In 2025, we recycled a total of 630 tonnes of retired power batteries. Through testing, screening, repairing and reconfiguration, the batteries were successfully reused in echelon applications such as starter batteries, energy storage cabinets, residential energy storage, street lamp backup power supplies, AGV power supplies and forklift power supplies, with a total battery capacity of 62,126 kWh from echelon-utilization products, effectively extending the service life of power batteries. In addition, we implement full-process tracking and management of echelon-utilization battery information, achieving 100% traceability, which provides a strong guarantee for product safety and compliance.

Used Oil Regeneration

The Company has carried out in-depth cooperation with Ruiyuan International on the high-value recycling of hazardous waste resources, jointly building a full-chain green recycling system for waste mineral oil covering "collection – regeneration – application". Through process units including pretreatment, dehydration, light component removal, catalytic purification treatment (CPT), refining and blending, waste mineral oil is regenerated into lubricant base oil and by-products, which are applied in industrial lubricants, automotive lubricants, coatings and other fields. This achieves a comprehensive utilization rate of waste mineral oil of 96% and a base oil recovery rate of 74%. As of the end of the reporting period, Ruiyuan International had assisted Chery Auto in the comprehensive utilization of 196 tons of waste mineral oil, successfully producing 145 tons of recycled base oil and 43 tons of by-products. Based on the core efficiency indicator that 1 ton of waste mineral oil can be converted into about 0.7 tons of base oil, the project has reduced crude oil extraction or imports by a total of 9,667 tons, effectively lowering dependence on primary resources.

Circular Packaging

The Company focuses on the sustainable recycling and reuse of packaging materials, taking the lightweight and reduction of packaging solutions, the recycling and reuse of packaging materials, and the large-scale application of circular carriers as the core priorities. It systematically promotes the efficient allocation of packaging resources and earnestly practices the concepts of resource conservation and low-carbon circular development.

Packaging solution optimization	• By optimizing the compatibility between transportation carriers and products, we are promoting the lightweighting of transportation carriers while meeting the protective needs for parts transportation. • By improving the matching between packaging containers and products, we have effectively increased the utilization rate of primary and secondary containers and reduced packaging container waste. • Based on Computer-Aided Engineering (CAE) simulation analysis technology and actual packaging test data, we systematically improve packaging structure design to eliminate over-packaging.
Logistics packaging simplification	• Launched a special program for vertical integration of supply packaging, enabling the direct delivery model from suppliers to reduce intermediate turnover and repeated packaging. • Established a centralized packaging operation platform at ports, standardized vehicle packaging and transportation standards, and successfully completed the first containerized transportation for some models.
Promotion of circular carriers	• Further expanded the application scope of circular carriers, adding new markets including Spain and Malaysia. • Enriched the types of circular carriers, focusing on the development of plastic circular pallet products. • Developed dedicated circular carriers for parts such as transmissions and doors, increasing the proportion of circular carriers in use.

Biodiversity Conservation

Chery Auto values biodiversity conservation and actively responds to international conventions and initiatives such as the *Convention on Biological Diversity* of the United Nations and the *Kunming-Montreal Global Biodiversity Framework*. The Company has formulated *Biodiversity Policy Statement*, and integrated ecological protection into its strategic planning, operational management, and value chain governance. The Company has set relevant biodiversity targets around priority areas. It strives for net-zero loss, and continuously works towards achieving a net improvement by 2050. Concurrently, the Company collaborates with global biodiversity and ecological conservation organizations such as the International Union for Conservation of Nature (IUCN) to actively leverage its influence and continuously invest in ecological protection areas such as ecological barriers and habitat conservation, thereby fulfilling its responsibilities in biodiversity conservation.

Biodiversity Conservation Management Strategy

Prevention	The Company strictly prohibits site selection in ecologically sensitive areas and conducts biodiversity risk screenings in sensitive regions.
Mitigation	Production processes are optimized to reduce wastewater and exhaust emissions. A real-time ecological monitoring system has been established to ensure the ecosystem around the plant remains in good condition. Ecological protection requirements are integrated into the supply chain management system.
Restoration	Investment is made in ecological barrier construction and habitat restoration projects.
Enhancement	Net positive contribution to biodiversity is achieved through global ecological cooperation projects.

The Company integrates biodiversity risk assessment into its overall risk management process and applies a tiered risk management framework to ensure that related risks are effectively identified and managed. This continuously reduces the potential impact of production and operation activities on biodiversity and ecosystem services. In 2025, we piloted biodiversity risk assessments for our own operational activities at one factory within our Wuhu production base, and conducted an in-depth analysis of the impact of production activities on biodiversity and their dependencies. We apply the Biodiversity Impact Assessment (BIA) tool and, referencing the IUCN Species Distribution Database, identify animal distribution within a 0 to 20 km radius around the factory. Particular attention is paid to IUCN critically endangered species and Class I protected species under the *Wildlife Conservation Law of the People's Republic of China.* We also identify Key Biodiversity Areas (KBAs), nature reserves, and national parks around the factory and assess direct and indirect links to natural ecosystems. Based on the assessment, the Company's current production and operation activities do not pose a significant risk of severe harm to biodiversity and ecological areas.

Case

Chery Auto and IUCN Collaborate on Nature-Based Solutions (NbS) to Empower Global Ecological Protection

In November 2025, Chery Auto was invited to participate in the 8th World Conservation Congress held in Abu Dhabi. Together with the International Union for Conservation of Nature (IUCN), it celebrated the first anniversary of the "Cherish Nature" partnership and reaffirmed its commitment to advancing global Nature-based Solutions (NbS). In the first year of cooperation, the two parties focused on the restoration and protection of Mediterranean Posidonia seagrass meadows in Spain. Through citizen science and the promotion of eco-mooring solutions, the restoration and sustainable management of seagrass meadows were achieved. The mangrove conservation project along the Selangor coast in north-central Malaysia was launched at the end of 2025, focusing on mangrove restoration to help enhance coastal ecological resilience and community well-being.

Looking ahead, the scope of cooperation between both parties will be further expanded to cover multiple regions in South Africa and Europe. In South Africa, the focus will be on the ecological restoration and sustainable development of the Maloti-Drakensberg Transfrontier Conservation Area and the Qiqi-Kama Marine Protected Area. In Europe, leveraging the World Heritage Leadership Program, international cooperation and capacity building will be strengthened to enhance the protection and management of World Cultural and Natural Heritage sites in China and several European countries.

Case

JETOUR Cheetah Conservation Initiative in the Horn of Africa

In 2025, JETOUR joined hands with Discovery Channel and the Cheetah Conservation Fund (CCF) to launch a cheetah conservation campaign focused on the Horn of Africa, practicing the concept of ecological protection through "Travel + Public Welfare". JETOUR donated two G700 off-road vehicles to CCF's patrol teams, enhancing their patrol efficiency and rescue capabilities in complex African terrains. A joint team was formed to conduct tracking, patrol and rescue operations in the wild, successfully protecting 107 wild cheetahs and sponsoring cheetah cubs to support their healthy growth. Meanwhile, JETOUR promoted the construction of "Cheetah Safe Houses" in Somaliland, providing venues and facilities for cheetah rescue and shelter, and improving local patrol capacity and community collaboration through specialized training. To further expand the influence of ecological protection, JETOUR produced the second season of the documentary Return of the Cheetah, conveying the vision of "Harmony between People, Vehicles and Nature" to the world and calling on global society to focus on biodiversity conservation.

Case

Zongheng Brand's Kekexili Tibetan Action

From June 2025 to the present, Zongheng Brand has joined hands with Xinhua News Agency, Kekexili Ecological Protection Association, and Public Security Bureau of Kekexili National Nature Reserve to carry out the "Kekexili No-Man's Land Tibetan Antelope Migration Scientific Expedition Project" in Qinghai. By providing patrol vehicles and technical support, it helps with plateau patrols and species monitoring, and builds the "Plateau Guardian" brand identity to promote the project from a one-time scientific expedition to long-term ecological co-construction. In addition, Zongheng Brand has co-produced the documentary *People in the No-Man's Land,* which records the entire process of Tibetan antelope migration and calving in Kekexili, aiming to call on all sectors of society to strengthen attention and protection to the ecological environment and rare species on the Qinghai-Tibet Plateau, and promote more forces to participate in biodiversity protection actions.

Case

Together, We Stand Guard for the Blue Planet

Ulu Gombak Coral Restoration Action in Malaysia: In July 2025, relying on the "With Chery, Walk with Love" project, the Company joined hands with the One Ocean Nature Conservation Center on Ulugan Island, organizing 30 employee volunteers to dive underwater and participate in the coral restoration project, committed to restoring the vitality of the marine ecosystem. This initiative successfully propagated and stably transplanted 135 coral fragments to the adopted coral nursery, ensuring their continuous protection and monitoring, and contributing to the protection of the marine ecology.

Spanish Marine Ecological Protection Initiative: In December 2025, Chery Auto's OMODA & JAECOO brands partnered with the International Union for Conservation of Nature (IUCN) to organize employee and user volunteers to participate in seagrass ecological protection popularization and beach cleaning activities at the Cabo de Gata-Níjar Natural Park in Spain, the site of their cooperative Posidonia seagrass protection project. They conveyed the concept of green development through practical actions and promoted the joint construction of global ecological protection.

Creating

an Inspiring Mobility Experience

Anchored in our vision to be an innovation-driven, globally trusted leader in the intelligent mobility ecosystem, Chery Auto remains committed to a technology-centered strategy. We strive to empower the automotive ecosystem through the democratization of technology, enabling a broader user base to enjoy advanced, safe, and reliable products in an affordable manner. Our goal is to provide users with a safer, greener, and smarter mobility experience.

Material Topics

- Technological innovation and leadership
- Product quality and mobility safety
- Global user engagement and stewardship

2025 Key Performance Indicators

- Annual R&D investment RMB **14.715** billion
- Relying on the RX 2025 technology strategy, we achieved comprehensive breakthroughs in five core technology sectors and launched more than ten globally leading technologies. The total number of patents obtained reached **23,074**.
- "Falcon Advanced Driving Assistance System" is equipped across all new model lineup, realizing "intelligence parity for gasoline and electric vehicles", committed to enabling every user to equally enjoy smart mobility brought by advanced technologies.
- Ranked **No.1** among Chinese brands in J.D. Power 2025 China Initial Quality Study (IQS)
- **51** models awarded global "Five-Star Safety" certification; **16** safety performance rating verifications conducted during the year

Leading Technological Innovation

During the 15th Five-Year Plan period, amidst the rapid convergence of a new round of technological revolution and industrial transformation, Chery Auto is guided by our core philosophy of "Technology Transforms the Future". We continue to expand our strategic footprint in new energy and intelligent technologies. By continuously refining R&D management and accelerating the commercialization of innovations, we leverage our industry leadership to provide global users with high-quality services and widely shared benefits of automotive technological progress.

Empowered by Technology

Amid the global automotive industry's accelerated transition toward electrification, connectivity, intelligence, and shared mobility, the Company leads through innovation to forge a distinct competitive edge within the new industrial landscape. Leveraging years of profound expertise and leading technologies in vehicle architecture, powertrain systems, intelligent cockpits, driver-assistance systems, and digital ecosystems, we are accelerating the transition to electrification. We are also advancing innovation in intelligent connected vehicles, developing shared mobility services, and building digital ecosystems. Our mission is to deliver premium automotive products and services to global consumers while continuing to spearhead the evolution of China's automotive ecosystem.

In 2025, driven by our "RX 2025" technology strategy as the innovation engine, the Company established a global technology innovation system. We achieved comprehensive breakthroughs across five core technical domains: Mars Architecture, Chery Power, Lingxi Intelligent Cockpit, Falcon Advanced Driving Assistance System and Galaxy Ecosystem. During the year, we released more than 10 leading technologies, including the Flying Fish EMB chassis, the Ark amphibious system, and the Kunpeng Sky Optimus engine featuring 48% thermal efficiency, propelling the automotive industry toward a smarter and more sustainable future.

Advanced Achievements of the "RX 2025" Technology Strategy

Mars Architecture

Flying Fish EMB chassis
Flying Fish intelligent driving unit
Ark amphibious system

Chery Power

Kunpeng Sky Optimus engine (48% thermal efficiency)
Dual axial-flux motors with vector control
Rhino battery

Lingxi Intelligent Cockpit

Xiaoqi AI assistant
Boya sound system

Falcon Pilot

L4 RoboCar
Falcon Pilot foundation model
Automated valet parking
L4 RoboCar

Galaxy Ecosystem

1.2 MW Volt-Dragon Charger | V2G
AiMOGA robot | iBar | Lingxiao flight platform

Case

2025 Chery Global Innovation Conference: Pooling Global Wisdom, Driving the Future through Innovation

On October 18, 2025, the Chery Global Innovation Conference, themed "Innovation · Defining the Future", kicked off in Wuhu, Anhui. Chery Auto presented a suite of cutting-edge achievements in frontier fields, such as electrification, connectivity, vehicle intelligence, and shared mobility. Highlighted innovations included the Flying Fish EMB chassis, the Ark amphibious system, the Kunpeng Sky Optimus engine featuring 48% thermal efficiency, alongside the intelligent cockpit featuring the Boya sound system, Falcon ADAS Large Model, the Lingxiao flight platform, the AiMOGA humanoid robot "Mornine", and Flying vehiclesflying vehicles. Furthermore, to facilitate the efficient commercialization of technological achievements, we continue to deepen our industry-university-research collaborative mechanism. During the conference, we held the signing ceremony for the Collaborative Innovation Center and the launch ceremony for the Kaiyang Laboratory Strategic Alliance. The Company announced a commitment of RMB 10 billion in joint funds over the next three years to conduct deep collaborative research with more than 100 colleges and universities, accelerating the market application of our advanced technologies.

As a leading enterprise in China's automotive industry, Chery Auto remains committed to the development philosophy of open collaboration. We strive to build an open and shared innovation ecosystem that promotes progress across the entire industrial chain, expediting the democratization of technology. In 2025, the Company launched the Hybrid Technology Open-Source Initiative and established an innovative end-to-end incubation system encompassing open-source collaboration, joint R&D, and talent co-development. This approach transcends traditional proprietary development models, facilitating the effective flow of innovation elements and the open sharing of R&D resources and achievements. By leveraging open-source technology as a bridge, we aim to empower more industry partners to access and benefit from our advanced hybrid technology achievements. This facilitates product innovation and a green, low-carbon transition throughout the value chain, propelling the automotive industry toward a smarter, more sustainable future, while fostering a mutually beneficial and sustainable automotive ecosystem.

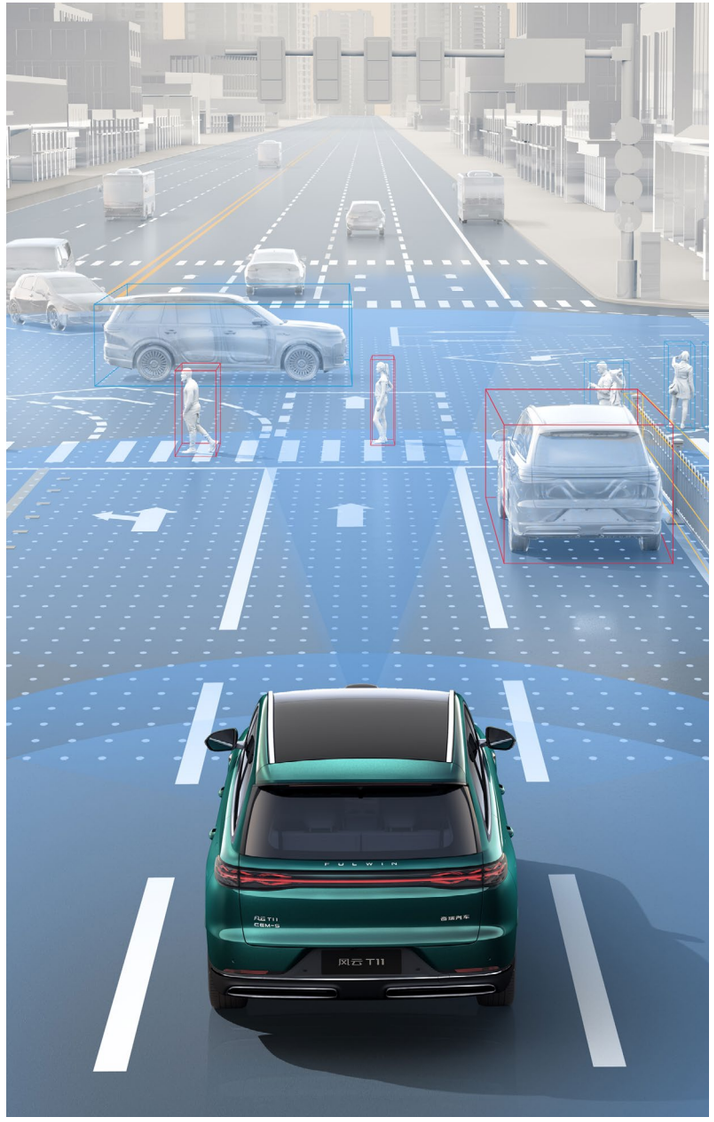
Enhancing the Accessibility of Innovation

Chery Auto embraces the transformations driven by electrification and vehicle intelligence in the automotive industry. Through forward-looking R&D and cross-sector collaborative innovation, we are committed to providing affordable products, thereby ensuring a broader user base can equally enjoy smart, sustainable, and safe mobility experiences. We consistently drive the democratization of intelligent technology and sustainable value.

Redefining Mobility with Intelligence

We continue to advance our expertise in intelligent connectivity, upholding the principle of equal access to intelligent driving. By continuously optimizing driver-assistance systems and intelligent cockpit solutions through technological iterations and large-scale applications, we ensure more users can equally enjoy the benefits of intelligent mobility. In 2025, we officially released our intelligent strategy, accelerating the deep integration of intelligent driving technology, the Internet of Vehicles (IoV) services, and the intelligent cockpit experience. This strategy aims to comprehensively enhance vehicle intelligence and user experience, contributing to an open and shared smart mobility ecosystem.

Intelligent driving	The Company launched the Falcon Combined ADAS 500, 700, and 900 intelligent driving solutions. Leveraging end-to-end foundation models and multi-sensor fusion, these systems achieve precise, all-domain perception and millisecond-level decision-making, providing users with all-weather, all-scenario intelligent protection. In 2025, the Falcon Pilot system was deployed across our entire new product lineup. This global rollout accelerates our strategic goal of "intelligence for all", ensuring that smart technology is accessible to everyone, globally, across all energy types, and in all scenarios.
Intelligent cockpit	Our Lingxi Intelligent Cockpit features a next-generation high-performance chip, delivering robust computing power with CPU 630K DMIPS, GPU 8.1G FLOPS, and NPU 320 TOPS to provide a powerful underpinning for intelligent interaction. Our core interaction companion, "Xiaoqi" has evolved into an AI super-agent with advanced cognitive capabilities. Integrating more than 40 agents across eight categories, Xiaoqi utilizes multi-modal perception fusion—synthesizing voice, vision, and vehicle signals—to create a complete, closed-loop interaction experience that is perceptive, capable of reasoning, actionable, and memorable.



Case

Unified Intelligence for ICE & EV, A Global Journey Together: Leading the Industry's Smart Transformation with an All-Domain Intelligent Strategy

On March 18, 2025, Chery Auto's intelligent strategy launch event was held in Wuhu, Anhui. Under the theme "Unified Intelligence for ICE & EV, A Global Journey Together", we officially unveiled our all-domain intelligent roadmap and showcased core technological achievements, including the Falcon ADAS and intelligent cockpit foundation models. Furthermore, we continue to expand the depth and breadth of our intelligent technologies. By strategically positioning new business frontiers such as the AiMOGA humanoid robot, flying vehicles, the Robotaxi service, and the unmanned iBar, the Company is driving the diversified development of a global intelligent mobility ecosystem.

Argos Robotic Dog

Smart iBar

Case

EXEED EXLANTIX OTA: User-Centric Upgrade Redefining Intelligent Mobility through Technological Democratization

On June 23, 2025, the EXEED brand held its EXLANTIX OTA upgrade launch, officially releasing EXEED OS 2.6.0 and 1.6.0 for models across both the 8295 and 8155 platforms. Centered on "all-scenario intelligent evolution", this upgrade achieves breakthroughs in advanced driver assistance, intelligent cockpit experiences, and intuitive vehicle control.

For 8155 platform-powered models, the Falcon 700 driver-assistance system integrated into EXEED OS 1.6.0 enables "mapless NOA nationwide". By eliminating dependency on high-precision maps, the system extends city navigation pilot functions to public roads, including county and township roads. It perceives its surroundings in real time to perform car-following, obstacle avoidance, and autonomous lane changes. It also features optimized traversal of signalized intersections and upgraded temporary lane changing for obstacle avoidance, significantly enhancing urban driving ease and safety. Meanwhile, 8295 platform-powered models utilize surround rendering (SR) technology to project the advanced driver assistance environment information onto the instrument cluster, allowing drivers to maintain full situational awareness at a glance, substantially improving driving safety. Regarding the intelligent cockpit, EXEED OS 2.6.0 integrates the "deep-thinking" voice foundation model and introduces the "AI Painter" text-to-image feature. These additions create new possibilities for in-car infotainment and family interaction, elevating user enjoyment and the overall mobility experience.

Reshaping Mobility Value with Green Innovation

The Company continues to increase R&D investment in new energy technologies, driving the continuous upgrade of hybrid power systems and accelerating the R&D and industrialization of next-generation battery technologies. By consistently expanding our BEV (battery electric vehicle) and PHEV (plug-in hybrid electric vehicle) lineups, we are leading the democratization of new energy technology. Meanwhile, we are deeply committed to eco-friendly cabin innovation. By incorporating bio-based sustainable materials, low-VOC interior components, and high-efficiency air purification systems, we enable users to enjoy a green and healthy mobility experience.

Case

EXEED Yaoguang C-DM: Empowering Green and Low-Carbon Mobility

The EXEED Yaoguang C-DM powertrain is centered on high performance and low consumption. It features a 1.5T dedicated hybrid engine with a thermal efficiency of 44.5%, utilizing the Deep Miller Cycle and an intelligent combustion system to maximize fuel efficiency. The model is equipped with a dedicated hybrid transmission (DHT), which achieves a mechanical efficiency of 97.6%, minimizing energy transmission loss. Furthermore, an intelligent energy management system dynamically optimizes power output and energy recovery based on road conditions and driving habits to further enhance energy efficiency. For urban commuting, the model offers an all-electric range of 120–210 km; for long-distance travel, its 70-liter fuel tank enables a comprehensive range of over 1,400 km, effectively alleviating range anxiety.

Beyond performance, the EXEED Yaoguang C-DM is dedicated to creating the ultimate healthy cabin. Featuring 50 selected eco-friendly materials, the seat fabrics have earned the Oeko-Tex® Standard 100 (infant-grade) certification. By using water-based adhesives instead of traditional solvents, the vehicle provides a "Four-Zero" healthy cabin (zero formaldehyde, zero odor, zero benzene, and zero allergens). The formaldehyde content inside the vehicle is only one-tenth of the national standard. It has won dual certifications from China Automotive Technology and Research Center Co., Ltd. as a "Five-Star Healthy Vehicle" and "Zero-Formaldehyde Cockpit".

Note: For more details on low-carbon products and clean technology development, please refer to New Energy Technologies and Products.

Lean R&D Management

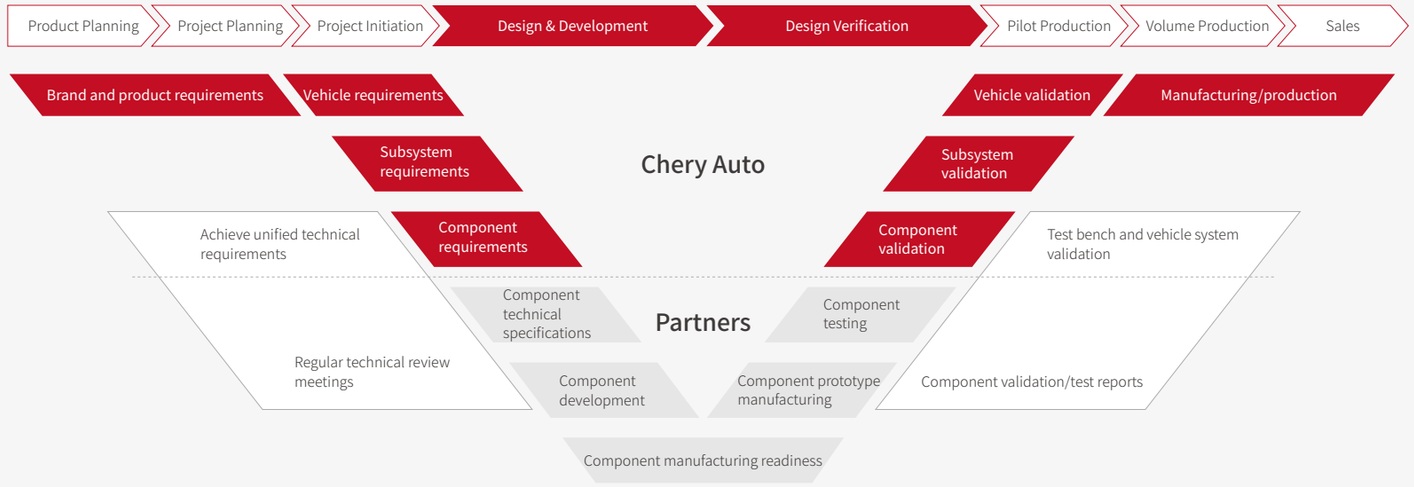
The Company recognizes continuous innovation as the primary engine for long-term corporate growth. We consistently refine our R&D systems while promoting lean management in R&D processes to maximize overall R&D efficiency. Meanwhile, we foster an open R&D ecosystem for mutual benefit, deepening collaboration with universities, research institutes, and industry partners to cultivate a vibrant and diverse innovation environment. Furthermore, we strengthen the protection of innovation outcomes, while accelerating the commercialization and industrialization of technological achievements, thus propelling the Company toward ongoing high-quality development.

R&D System

The Company has established a multi-layered, comprehensive R&D system, creating a complete innovation cycle from basic research to industrialization. This system effectively supports our tiered technology development strategy, enabling leapfrog advancement powered by core technologies. With eight R&D centers across China, Europe, North America, South America, and Southeast Asia, we have established an innovation network focused on global synergy and local adaptation. This network facilitates collaborative innovation, product research, and localized development and validation, strengthening our position as a globally competitive brand. We host the National Engineering Research Center of Vehicle Energy Conservation and Environmental Protection, authorized by the National Development and Reform Commission (NDRC). The center focuses on forward-looking research in core areas, including vehicle powertrain, materials and lightweighting, health and environmental protection, occupant safety, and cockpit intelligence.

We have implemented a "V-model" R&D process, which defines management requirements across the entire product development lifecycle—from user demand definition and system design to testing and validation. This ensures standardized, regulated, and efficient R&D, consistently improving the quality of innovation outcomes. Furthermore, we refer to advanced international standards such as the World Economic Forum (WEF) *Digital Trust Initiative and ISO/IEC 23894 Information technology — Artificial intelligence — Guidance on risk management* to build an AI governance framework. This ensures that AI technology is applied innovatively within a secure, compliant, and risk-controlled environment. To continuously strengthen our R&D capabilities, we are accelerating our "dual-track" strategy of recruiting top-tier experts and cultivating internal talent. We aim to build a diverse R&D team with a global perspective and a robust talent development and incentive mechanism, thereby unlocking the innovative potential of both our staff and the Company. As of the end of the reporting period, we have 20,366 professional R&D personnel, accounting for approximately 54% of our non-production staff.

V-Model R&D Process



- Transform inputs from the market (customers) into commercial products through a series of development activities, and ultimately launch them into the market (end-users);
- Implement hierarchical management for the set of development activities aimed at commercialization, structured around complete vehicles, systems, subsystems, and components;
- Adopt a top-down goal-setting framework that cascades from complete vehicles down to components, alongside a bottom-up verification and integration process that builds up from components to complete vehicles.

R&D Ecosystem

The Company champions the development of an open and mutually beneficial R&D ecosystem, deepening cross-sector industry-university-research cooperation. By bringing together diverse innovative forces, including universities, research institutes, and industry partners, we have forged a dynamic new landscape for innovation, driving the coordinated development of the entire value chain.

As of the end of the reporting period, Chery Auto hosts several national-level innovation platforms:

- State-Accredited Enterprise Technology Center
- National Engineering Research Center of Vehicle Energy Conservation and Environmental Protection
- National Automotive Engineering Technology Research Center for Energy Conservation and Environmental Protection
- National Industrial Design Center

Kaiyang laboratory

A technological innovation consortium driven by industry demand, supported by academic research, and oriented toward the commercialization and industrial application of R&D achievements. It operates through a three-tiered collaborative framework (1+5+N), comprising one central hub and five specialized functional centers. By uniting universities, research institutes, and value chain partners, the laboratory fuels a synergistic research ecosystem to accelerate technical breakthroughs and market-ready applications. Its mission is to empower products, scale-up industrial applications, and foster business incubation, while cultivating an innovative culture that drives industry-wide advancement.

Yaoguang laboratory

As a cradle for high-value technological breakthroughs, the laboratory targets cross-sector integration in fields such as intelligent connected vehicles, future mobility, and driver-assistance systems. It fosters an open, synergistic ecosystem for value chain partners to share resources, co-develop technologies, and create shared value. Centered on a cross-disciplinary innovation platform, the laboratory provides sustained momentum for technical accumulation and standard-setting while extending its social impact, ultimately accelerating the democratization of advanced technology.

Industry-university-research collaboration

We operate an open, synergistic innovation platform that integrates internal and external R&D resources, enabling deep collaboration with universities, research institutes, and supply chain partners. Leveraging eight joint innovation research institutes, we focus on two key areas: energy conservation and emission reduction, as well as intelligent cockpit systems. We have established long-term strategic partnerships with top-tier universities, including the University of Science and Technology of China, Zhejiang University, and Anhui University. This has created an integrated industry–academia–research–application framework, which accelerates the commercialization and industrial application of technological achievements and enhances overall industrial innovation efficiency.

Intellectual Property Management

The Company attaches great importance to intellectual property (IP) protection, viewing it as a core element for sustaining technological innovation and competitive advantage. In strict compliance with the relevant laws and regulations, including the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and the *Trademark Law of the People's Republic of China*, we have formulated and implemented an IP strategy centered on strong protection and value-driven operation. While strengthening our internal IP management, we continue to leverage IP as a value link to align patent valuation across the industrial chain, enhancing collective IP protection and utilization capabilities. This synergy fosters open, innovation-driven development for both the Company and our partners.

System optimization

The Company continuously optimizes our IP management system by establishing a series of institutional documents, including the *Intellectual Property Management System*, the *Patent Management System*, and the *Standard Operating Procedures for Trademark Application Monitoring*. These documents define full-lifecycle management standards for IP application, operation, and protection, safeguarding our innovative achievements and preventing the leakage of trade secrets. In 2025, we adopted additional internal policies, such as the *Trademark Management Regulations and the Copyright Management Regulations*, to further standardize IP governance.

Risk prevention and control

We have established a cross-departmental collaborative joint defense mechanism and built a dynamic IP tracking system. Leveraging the Knowledge Management System (KMS) and the IP Management Platform, we have created an integrated IP management network that runs through the entire project lifecycle, enabling digital management of full-link patent risk screening. Patent risk screening is designated as a key performance indicator (KPI) in the vehicle development process, effectively mitigating patent infringement risks during product R&D. We also provide ongoing specialized training for R&D personnel to enhance their capability in risk identification and prevention. We extend patent risk management to the entire value chain, collaborating with suppliers to form a comprehensive patent risk screening system covering the full industrial chain, thereby reducing infringement risks across the board.

Value expansion

Leveraging our robust R&D capabilities, we explore technology out-licensing strategies and have launched IP open-source projects. By promoting patent open licensing, we facilitate the efficient utilization of our proprietary IP. We collaborate with global partners to develop standards and share data, accelerating the application and promotion of innovative achievements while driving mutual success across the industry ecosystem.

Enhanced incentives

We have formulated the Standard Operating Procedures for Patent Awards and organized activities such as the annual Top Ten Invention Patents selection to stimulate innovative vitality across our talent pool. We continuously enhance the professionalism of our IP management by encouraging our employees to obtain professional certifications, thereby strengthening our IP capacity building. As of the end of the reporting period, the Company is home to one National IP Leading Talent, two National IP Top 100 High-level Talents, and two experts in the Expert Pool of the China National Intellectual Property Administration (CNIPA).

Open exchange

We have joined multiple national, provincial, and municipal IP associations and participated in establishing IP alliances and operation centers to build an open and shared IP ecosystem. Through multi-field IP exchange activities, we share management achievements and practical experiences with industry peers to jointly create a high-quality platform for industrial development.

In 2025

Patents applied for during the year
6,250

Invention patents granted during the year
1,219

Utility model patents granted during the year
471

Design patents granted during the year
1,762

Patents granted during the year
3,452

Cumulative patents granted
23,074

Advancing Industry Synergy

Chery Auto is committed to an open and collaborative development approach. Leveraging our role as a value link within the industry, we participate in industry standard-setting and exchange forums to accelerate joint industry capacity building, value sharing, and collaborative win-win outcomes, thereby promoting the transformation and upgrading of the industrial chain.

Leading and empowering industry development

As a member of multiple key industry associations, we contribute insights and advice to industry development, serve as an industry exemplary, and drive high-quality growth across the sector. These memberships include the China Association for Quality, the China Society of Automotive Engineers, the China Automobile Enterprise International Development Innovation Alliance, the ESG and Social Responsibility Committee of the China Association of Automobile Manufacturers, the Anhui New Energy and Intelligent Connected Vehicle Industry Development Association, the Shenzhen Automotive Electronics Industry Association, the Changchun Automobile Industry Association, and the Strategic Alliance for Technological Innovation in the Industrial Chain of Electric Drive Systems for Electric Vehicles.

Developing industry standards through collaboration

We continuously promote the establishment and implementation of the automotive industry standards framework. We participate in the formulation and revision of multiple national, industry, and association standards across key technical fields, such as electrification, intelligent technologies, decarbonization, and vehicle safety. Through our contributions to development of standards, we provide technical support for the advancement of the automotive industry. In 2025, the Company contributed to the drafting of several industry standards, including the *Methods for Evaluating the Reliability of Drive Motors for Hybrid Electric Vehicles*, the *Bench Test Methods for Energy Consumption of Thermal Systems in Battery Electric Passenger Cars under High and Low Temperature Conditions*, the *Guidelines for Safety Evaluation of Electric Vehicle Traction Batteries—Part 1: Cell and Module*, the *Guidelines for Safety Evaluation of Electric Vehicle Traction Batteries—Part 2: Battery System*, the *Road Vehicles—Performance Requirements and Test Methods for Hands-free Communication and Voice Interaction*, the *Protection of the Occupants in the Event of a Lateral Collision*, and the *Requirements of Safety in the Event of Rear-End Collision for Passenger Cars*.

Fostering an open and shared industry ecosystem

We explore diverse industry cooperation mechanisms, organizing and participating in domestic and international exchange activities. During these activities, we discuss and share insights with industry peers on technological, industrial, and business model innovations to foster friendly industry relations and a positive industry ecosystem. In 2025, the Company participated in multiple industry conferences, such as the Electric Drive System Technology Conference, the 3rd New Energy Vehicle Electrical Safety Conference, and the 2nd Automotive Off-Road Performance Development Symposium.

Delivering Excellence in Quality

Chery Auto has always adhered to the business philosophy that "Quality matters more than sales, and innovation is more valuable than profit". We are committed to implementing a quality-leading strategy and launching the Global Quality Chain Enhancement Strategy, working with supply chain partners, dealers and other full-value chain partners to drive coordinated efforts across multiple dimensions, including technology R&D, product manufacturing, service upgrading, and management innovation, thereby promoting the strategic transformation from scale priority to quality priority. Meanwhile, Chery Auto remains customer-centric, deepening co-creation with users and strengthening the emotional connection between the brand and customers, delivering exceptional quality and service experiences that exceed customer expectations.

Global Quality Upgrade

Quality Control System

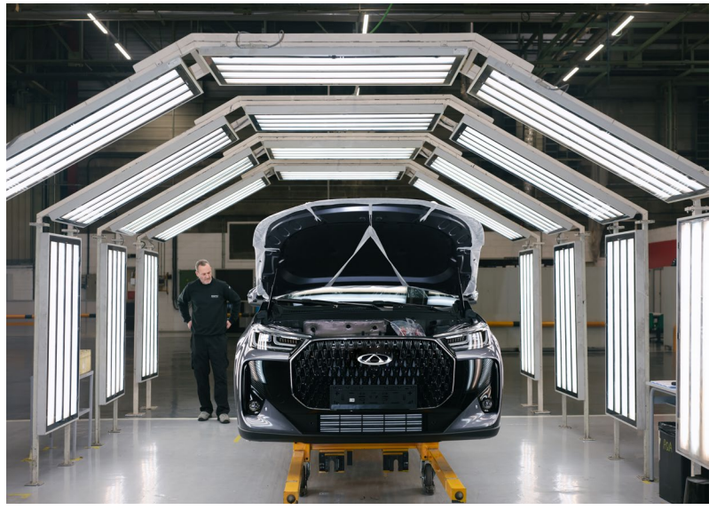
Chery Auto is committed to the deep integration of compliant operations and global quality standards. We strictly abide by the *Product Quality Law of the People's Republic of China* and the market regulations of all operating locations, and have established a well-defined and highly efficient quality management system. With standardized and formalized management mechanisms, we systematically support the continuous improvement of products and services.

Organizational structure	Chery Auto has established a Quality Management Committee, which serves as the highest decision-making body for the Company's quality supervision and management. It takes overall responsibility for planning and promoting the construction of a full-value chain quality management system. Through the Global Quality Center, we fully undertake and implement various quality strategic arrangements of the Quality Management Committee, ensuring the efficient implementation and continuous deepening of quality management work.
Operational mechanisms	Chery Auto has established a systematic and hierarchical dedicated quality meeting mechanism, including the Chairman's Quality Promotion Meeting, Quality Top Management Meeting, Global Quality Center AT Meeting, Quality Tackling Meeting, and Daily Quality Insight Meeting. This forms a dynamic management rhythm covering monthly, weekly and daily cycles, which efficiently promotes the escalation, supervision and closed-loop resolution of key quality issues. In addition, we have established quality collaboration across the full value chain, built a full-process delivery quality evaluation system,and set up a quality expert panel to empower all business units, providing a solid guarantee for the Company's high-quality development.

We proactively adapted to overseas market trends and regulatory developments, upgrading systems such as the *Vehicle Commercialization Confirmation Management Measures* and *Vehicle Inventory Certificate Management Measures* to ensure that our quality management system consistently meets the requirements of global quality development. During the reporting period, we focused on key dimensions including reliability improvement, software quality, and quality loss control, further clarifying quantitative management objectives. Through indicator-driven management, we promoted the precise implementation and closed-loop evaluation of quality management initiatives. As of the end of the reporting period, all global production and operation entities of Chery Auto had fully obtained IATF 16949 or ISO 9001 quality management system certification, achieving 100% system coverage and laying a solid systematic foundation for delivering consistent, reliable, and high-quality products to markets worldwide.

Leading With a Quality Culture

Centered on the progressive goal of advancing from quality compliance to quality value enhancement, guided by the philosophy that "brand is based on quality, and quality is based on systems and processes", the Company has comprehensively built a culture of quality excellence and fulfilled its commitment to global users with high-quality products.



In 2025, Chery Auto fully promoted the "Chery Global Quality Year" all-employee initiative and carried out all-employee quality culture building. It successively launched more than 360 quality culture themed activities at all levels, including quality concept communication, listening to the voice of customers, quality training, quality improvement, quality competitions, and quality incentives, with a total of over 300,000 person-times participating. Throughout the year, the quality and safety-related training for all employees achieved 100% coverage. Relying on the solid achievements of quality culture construction, the Company has successively won 18 major awards, including "No. 1 Comprehensive Product Reputation" and "No. 1 Product Quality Recommendation" in the Automobile Brand Reputation Index Research at the China Automobile Industry Quality Conference, as well as the Automobile Industry Innovative Technology Award and New Car Quality Award, empowering the continuous enhancement of the brand image.

Quality Control Mechanism

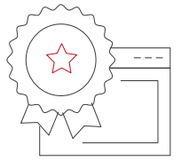
Chery Auto has established a comprehensive quality control mechanism covering the entire lifecycle—from R&D, supply, to manufacturing. By utilizing rigorous quality monitoring systems and advanced testing equipment, we ensure that every vehicle meets high-quality standards, achieving closed-loop quality management throughout the entire lifecycle from initial design to final delivery.

Quality Control throughout Product Lifecycle

R&D	The Company implements phased verification planning for both vehicles and parts, covering design verification (DV), engineering sign-off (ESO), and process verification (PV). This provides a full-chain verification system that spans core product development stages. Our national-level vehicle testing center in Wuhu, ISO 17025 accredited, is capable of conducting a comprehensive range of testing projects, including development testing, part testing, vehicle and system bench testing, vehicle performance and durability testing, and Computer-Aided Engineering (CAE) simulations.
Supply	With the core principles of prevention first, full-process monitoring, and win-win collaboration, the Company has established a quality management system covering the entire lifecycle of suppliers. The system systematically runs through four stages: strict control of source risks through multi-dimensional evaluation and in-depth audits at the admission and selection stage; promotion of early participation and joint quality planning to embed standards into the initial design at the collaborative development stage; adoption of real-time monitoring and early warning of quality indicators to drive rapid problem improvement, as well as regular quality audits and inspections to verify the effective implementation of control plans on site at the mass production monitoring stage; and continuous improvement of supply chain quality capabilities through dynamic evaluation, joint improvement and performance management at the performance improvement stage.
Manufacturing	The Company has deeply integrated manufacturing quality management with the Industrial Internet to build a Smart Quality Control system. Leveraging this system, the Company has achieved full interconnection and visualized management of data pertaining to all processes throughout production. Guided by lean manufacturing, the Company continues to advance key technical initiatives including steel–aluminum joining and virtual electrical inspection, scale up the application of critical technologies such as integrated die-casting and intelligent inspection, and promote automated testing for the consistency and reliability of vehicle electrical function manufacturing, so as to continuously strengthen quality control in key processes. In addition, the Company is committed to building a smart, lean benchmark factory by upgrading production lines and processes across four dimensions: "deep automation, full digitalization, partial intelligence, and end-to-end business process streamlining". It has also established its first industrial AI lab, using AI and collaborative robots to improve the efficiency and accuracy of key-component inspections.

Furthermore, we have formulated the *Non-Conforming Product Control Procedures*, establishing a closed-loop management process for quality issues. This process includes identification, evaluation, disposal, improvement, and archiving, enabling us to proactively identify and address defects while strengthening product inspection and non-conforming product management. Leveraging digital technology enhancement, intelligent optical inspection, and other advanced technologies, we enhance end-to-end monitoring of non-conforming products to ensure product quality. Meanwhile, quality risks have been incorporated into our annual risk assessment. Through high-frequency monitoring (e.g., failures per 1,000 vehicles and losses due to vehicle failures) and multi-channel problem detection mechanism, we implement an end-to-end response process—from anomaly identification and temporary containment to root cause analysis and knowledge institutionalization—continuously enhancing the risk resilience of our quality management.

In 2025, Chery Auto demonstrated outstanding performance in quality assessments, receiving the Nomination Award of the 5th China Quality Award. In the core metrics released by J.D. Power—Initial Quality Study (IQS), Automotive Performance, Execution and Layout (APEAL) , and Vehicle Dependability Study (VDS)—we ranked first among Chinese independent brands in all three metrics.



Nomination Award of the 5th China Quality Award

Case

Chery Global Quality Journey

As an important part of Chery Auto's "Global Quality Year", the Global Quality Journey has been launched successively in many countries and regions including Europe, the Middle East, Central America, South America and China. On November 13, 2025, the launching ceremony of the Chery Global Quality Journey (China Region) was solemnly held in Wuhu. The campaign brought together 7 new models from Chery's five brands: Chery, Fulwin, EXEED, JETOUR and iCAR. Over 60 days, the vehicles traveled across 18 provinces nationwide, covering a total distance of approximately 20,000 kilometers, passing through the Pearl River Delta, Chongqing, Golmud, Alxa, Heihe, Beijing-Tianjin-Hebei region, Yangtze River Delta and other places. They endured complex and extreme conditions including high cold, high-altitude humidity, desert and high-salt corrosion, comprehensively testing the reliability, durability, stability and user experience of new products. This campaign is committed to witnessing Chery Auto's ultimate pursuit of quality together with users through the most transparent user-simulated testing process and the most authentic data presentation.

Product Recall Management

The Company strictly complies with China's *Regulations on the Administration of Defective Automobile Product Recall* and *Regulations on the Administration of Motor Vehicle Emission Recall*, and fully aligns with international regulations such as EU 2018/858 and the IATF 16949 quality management standard, establishing a complete recall management framework. We have continuously updated the *Recall Management Measures*. During the reporting period, we added a recall process for Over-the-Air (OTA) updates and systematically improved the filing, evaluation, monitoring and verification mechanisms to ensure global compliance and efficient implementation of recall activities.

The Company integrates proactive risk control deeply into the full product lifecycle management and conducts professional assessments of potential defects through a regular recall evaluation meeting mechanism. Once a recall decision is confirmed, the Company immediately develops a recall plan and carries out regulatory filing, sales suspension notices, owner communication, progress tracking, and effectiveness verification in accordance with the plan, ensuring timely, transparent and effective recall operations. In 2025, through systematic screening, the Company took the initiative to identify potential safety hazards in some vehicle models, including issues related to the AEB warning method on the instrument panel and airbag decorative clips. After prudent evaluation, and in a spirit of high accountability to consumers, we proactively filed with regulatory authorities in relevant countries and implemented 2 preventive recalls, involving a total of 4,500 vehicles. Following the completion of the recalls, the Company immediately conducted in-depth root cause analysis and targeted improvements to relevant processes and standards at both the Company and its suppliers, fundamentally eliminating the recurrence of similar issues.

Notes: Voluntary recall case summaries: 1) Due to a missing warning chime for AEB alerts on the instrument cluster of the Tiggo 4 (dual-screen version), the Company filed with the Australian market regulator and voluntarily recalled certain Chery Tiggo 4 vehicles produced between June 17, 2024 and November 1, 2024. For all affected vehicles, the AEB alert tone was activated through a software update.
2)Due to a processing deviation in the pressing tool used for the driver's airbag trim cover, a detachment risk was identified. The Company filed with the Uzbekistan market regulator and voluntarily recalled certain Chery OMODA C7 vehicles produced between January 15, 2025 and March 14, 2025, replacing the driver's airbag for all affected vehicles.

Global User Operations

Chery Auto remains committed to a customer-centric approach, focusing on providing global users with full-lifecycle product services and exceptional experiences while continuously enhancing user satisfaction. Amid the trend of intelligent transformation, we are guided by future-oriented technologies to shape a new business landscape centered on the user ecosystem, comprehensively establishing a value creation system featuring multi-stakeholder participation, co-building, and shared benefits, and providing global users with higher-quality, more accessible, and smarter mobility choices and experiences.

User Co-creation

At Chery Auto, deep engagement with our users is seamlessly woven into our daily operations. We see our users as vital partners in value co-creation. By actively nurturing global user brands such as "With Chery With Love" "Together with CHERY" and "Traveler with JETOUR", we engage users through diverse, multi-layered co-creation initiatives. These efforts help us gain deeper insight into their core needs, build meaningful connections, and develop more human-centered products that support their pursuit of a better life.

- **Building an open, collaborative ecosystem for user co-creation:** We involve users in the entire product design process and gain an in-depth understanding of their core needs through diversified methods like one-on-one in-depth interviews and scenario-based studies, ensuring our designs align with their core needs.
- **Fostering win-win user partnerships through mutual technological benefits:** We build a multi-layered user community ecosystem, engage in deep interaction and collaboration with users, and precisely identify their core demands for technological experience, thereby achieving a two-way win-win in which the Company's technological capabilities are continuously upgraded while users also benefit.
- **Leading future-oriented innovation services through shared value:** With a focus on emerging technologies such as AI, we are expanding the boundaries of automotive technology and services through our technology IP initiatives such as "Intelligent Night" and "AI Night", as well as ecosystem products including Xiaoqi and AiMOGA Robot.

Case

Chery Fulwin A9L: Empowering Product Upgrades through User Co-creation

During the R&D phase of the Chery Fulwin A9L, user co-creation was at the core of the process. We established a user-experience-driven product development decision-making framework and held over 80 online and offline co-creation events, engaging more than 50,000 participants. The project team employed diverse research methods, including questionnaires, on-site vehicle evaluations, and dynamic test drives with around 100 participants. These efforts enabled us to accurately identify the core needs of "the new mainstream consumers pursuing a quality-value lifestyle", focusing on vehicle aesthetics, ride comfort, safety, and economic efficiency. User feedback was efficiently translated into practical design updates, leading to the introduction of a warm sun-beige interior, adapted sunshades, and semi-concealed door handles. These features strike a balance between a welcoming cabin for families, comfortable summer travel, and daily commuting safety. The co-creation practice of the Chery Fulwin A9L achieved close alignment between the product and its target users' needs, providing a replicable model for collaborative innovation in the automotive industry.

Case

iCAR Auto Carnival

From May to September 2025, the iCAR brand hosted the "iCAR Auto Carnival" campaign. Through the iCAR Auto APP, users were invited to upload diversified customization ideas for the iCAR V23 model, including graphic design, actual vehicle modification, and professional brand-backed customization. The campaign collected more than 500 user co-creation works, and the related topic views exceeded 25 million. It not only effectively strengthened the emotional connection between the brand and users, but also deeply rooted Chery Auto's user-centric innovation philosophy in people's minds through vivid user co-creation practices.

Case

WE Wonderful Life: The 3rd Chery Life Ecosystem Partners Conference

The 3rd Chery Life Ecosystem Partners Conference was held in Guangzhou in 2025, bringing together nearly a thousand participants, including national user representatives, media guests, and ecosystem partners, along the Pearl River. This ecosystem event featured eight themed zones, such as "Brand Boulevard" and "Customization Hub". By incorporating an interactive fair, it created an immersive experience showcasing the full "People–Car–Home" ecosystem. This event also hosted three parallel co-creation forums on Smart Technology, Lifestyle Ecosystems, and Vehicle Customization, engaging users, ecosystem partners, and dealers in in-depth discussions. These forums propelled Chery's evolution from an "ecosystem participant" to a "co-creator of a better life". This two-way co-creation approach fosters a sustainable, symbiotic relationship with users and partners, and enables us to build a better future together.

User Service Management

Guided by user needs, the Company has established a global customer service network. By implementing systems and standardized procedures, including the *Sales Service Provider Operations Manual*, the *Chery Standard After-Sales Process Manual*, the *Overseas Service Outlet Operations Guidelines*, and the *User Communication and Service Standards*, we deliver high-standard, high-quality service across the entire pre-sales, sales, and after-sales journey, enhancing product value through excellent service.

We maintain 24/7 communication channels, including a 400 hotline, live customer support, Wechat mini programs, direct user-to-brand platforms, third-party platforms, owner clubs, and corporate email, to ensure rapid responses and efficient handling of user inquiries and complaints. Furthermore, we have deployed the Voice of Customer (VOC) system to systematically collect feedback across all channels. By leveraging intelligent analytics, we pinpoint common service quality issues and drive rapid rectifications by the relevant departments, significantly shortening the complaint resolution cycles. In accordance with the *User Information and Complaint Management Procedure*, user feedback is immediately forwarded to designated service stations. These stations must contact users and schedule appointments within two hours of receiving the feedback, tracking each case until a full resolution is achieved. In 2025, our complaint resolution rate reached 100%, with a two-day closure rate of 97% for sales-related issues and a three-day closure rate of 99% for product quality issues.

Enhancing User Satisfaction

We regularly conduct user satisfaction surveys and build a full-chain user satisfaction improvement system. By benchmarking against authoritative industry standards, we set quantitative targets and conduct ongoing surveys with closed-loop corrective follow-ups to continuously improve the user experience.

User Satisfaction Enhancement Management

- Set internal improvement targets for Sales Satisfaction Index (SSI) and Customer Service Index (CSI) with reference to the J.D. Power research system.
- We conduct quarterly SSI and CSI surveys, covering users across all Group brands.
- We take targeted actions based on survey findings. For SSI, we conduct follow-up interviews and closed-loop rectification for low-scoring cases. We also strengthen dealer service management through unannounced and announced audits to drive continuous service upgrades. For CSI, we are piloting Dedicated User Care Managers to provide concierge-style services. Supported by professional certification and training, this initiative facilitates a strategic shift from "one-time service maintenance" to "long-term relationship building".

Leveraging our continuously optimized sales and service infrastructure, CHERY brand achieved industry-leading results in the 2025 J.D. Power SSI and CSI studies:

In 2025

Sales Satisfaction Index (SSI) survey of Chery brand

Ranked 4th in the mainstream automotive industry and 1st among independent brands

Customer Service Index (CSI) survey of Chery brand

Ranked 1st in the mainstream automotive industry and 1st among independent brands

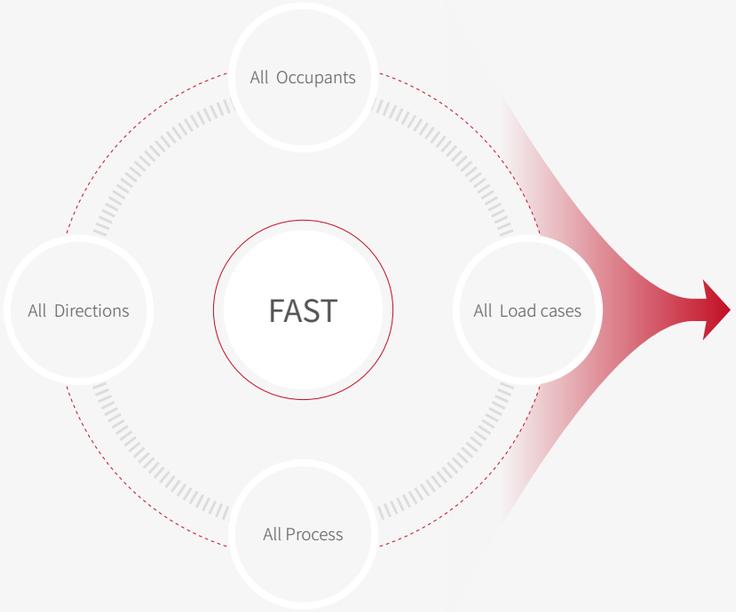
Ensuring Mobility Safety

Chery Auto integrates safety management throughout the product lifecycle. In response to the evolving demands for automotive safety in the era of electric and intelligent vehicles, we have redefined our safety baseline. By safeguarding users' journeys with rigorously validated technology and uncompromising quality, we aim to make "Five-Star Safety" a global benchmark, ensuring that Chery Auto becomes synonymous with automotive safety in the era of new energy, intelligent technology, and globalization.

Safety at the Core

Safety has always been a non-negotiable baseline at Chery Auto. Through safety-driven design, built-in safety redundancies, rigorous testing, and attentive care, we give users more safety choices. We have established a comprehensive safety protection system covering all occupants, all process stages, all load cases, all directions, and all markets. This system embodies our long-standing commitment to responsible vehicle manufacturing and turns it into tangible measures that safeguard lives and property.

FAST Development Philosophy ("Four All" Safety Technology)



I. All occupants: Cover all participants in road traffic

II. All load cases: Cover all typical traffic scenarios and operating conditions

III. All process stages: Before the accident, during the accident, after the accident

IV. All directions: Provide 360-degree protection

We implement functional safety management throughout the vehicle lifecycle and have built a full-dimensional safety protection system covering seven key areas: active safety, passive safety, information security, battery safety, functional safety, rescue safety, and crash safety, ensuring the safety of our global users. As of the end of the reporting period, Chery Auto has successfully obtained the ISO 26262 Functional Safety Management Process Certification, attesting to the compliance and maturity of our safety management systems.

Safety Validation

A rigorous safety validation system is fundamental to ensuring vehicle safety. Chery Auto has established an end-to-end vehicle safety performance validation framework spanning from virtual design to physical testing. Leveraging a safety development toolchain powered by AI simulation and full-scenario validation, we conduct multi-dimensional safety testing across crash, active, and electrical safety to strengthen vehicle safety and reliability under complex and diverse road conditions.

Crash validation: Ranging from component-level performance validation and restraint system validation to vehicle validation across 67 crash scenarios, the sufficiency and precision of crash validation are ensured.

Active safety validation: Simulation testing, proving-ground testing, and real-world road testing are jointly employed to validate active safety performance. 1) Simulation testing efficiently covers a large number of scenarios, particularly hazardous and extreme operating conditions. 2) Proving-ground testing ensures that vehicle safety performance meets market-specific regulatory requirements and the "Five-Star" standards. 3) Real-world road testing is conducted across 20 anchor countries in six major global regions, enabling real-vehicle validation under a full range of driving scenarios.

Electrical safety validation: Testing is conducted across seven dimensions: charging safety, vehicle electromagnetic compatibility, vehicle functional safety (powertrain and electric drive systems), vehicle high-voltage system, battery safety, vehicle fire safety, and post-crash electrical safety, achieving safety coverage across all user operating conditions.

Chery Auto 2025 Test Ratings:

- **ANCAP five-star rating:** TIGGO 4 Pro and OMODA 9
- **Euro NCAP five-star rating:** JAECOO 7, OMODA 9, EXLANTIX ES, TIGGO 7, TIGGO 8, EBRO S700, and EBRO S800
- **C-EVFI five-star rating:** Yaoguang C-DM and EXLANTIX ET REEV
- **NESTA six-dimensional electrical safety certification:** EXLANTIX ET REEV, EXLANTIX ES REEV, and Fulwin A9L

Case

EXLANTIX ES vs. Fulwin A9L: Head-to-head Crash Test at "Safety Night"

On May 13, 2025, at Chery Auto's Wuhu Collision Safety Laboratory, Chery Auto held the "Safety Night" event. During the event, the EXLANTIX ES and Fulwin A9L underwent a head-to-head crash test at a relative speed of 120 km/h, simulating high-intensity real-world crash scenarios without any buffer. Both vehicles successfully withstood the impact waves, demonstrating excellent body structural integrity and effective occupant protection, thanks to their outstanding structural design and safety systems. The total crash energy generated by this test reached 2.3 times that of C-NCAP testing energy and 2.88 times that of Euro NCAP. The results comprehensively verified body structural integrity, occupant protection, electrical safety performance, restraint system response, and vehicle rescue modules performance. This demonstrates Chery Auto's strong technical foundation and robust R&D capabilities in the safety of new energy vehicles.

Safety Responsibility

Chery Auto recognizes that a vehicle is not merely a means of transportation but a vessel of life. We firmly believe that safety goes beyond the vehicle, and protection begins with action. During the reporting period, we officially launched the Chery Guardian Safety Club and, in partnership with global collaborators, initiated the "AED Golden Four-Minute Alliance", to promote onboard availability and wider deployment of emergency medical devices. Every minute counts in a rescue, and every Chery vehicle is a mobile beacon of safety. Additionally, through initiatives such as Driving Safety Camp, Safety Open Day, and Safety Education Workshop, professional safety knowledge is translated into hands-on skills for vehicle owners, helping strengthen the overall safety culture on the road.

We actively fulfill our industry safety responsibilities and participate deeply in the co-construction of the automotive safety ecosystem. Not only do we lead industry safety technology seminars and spearhead the joint formulation of key safety standards, but we also join authoritative industry organizations such as the National Technical Committee of Auto Standardization. Through technological empowerment and leadership in standards setting, we help drive improvements in automotive safety across the industry.

Chery Auto's Responsibilities in Automotive Safety

- Participated in the formulation of National Standard GB 20071: *Protection of the Occupants in the Event of a Lateral Collision*
- Participated in the formulation of National Standard GB 20072: *Requirements of Safety in the Event of Rear-End Collision for Passenger Cars*
- Jointly issued the *Declaration on Chery Automobile's Global Hybrid Technology Standards* with the China Automotive Standardization Research Institute

Safety Protection

Chery Auto continues to enhance driving and riding safety through upgrades to both vehicle hardware and software. We have developed the Chery "Guardian" Smart Safety System to safeguard user safety across full-spectrum body safety, all-scenario driving safety, and multi-dimensional safety.

Pre-accident Warning

We consider the Advanced Driver-Assistance System (ADAS) as the first line of defense for driving safety. Equipped with the Falcon Pilot ADAS, our vehicles provide an industry-leading driver-assistance experience. We have established a multi-dimensional "crash warning + proactive protection" system to detect risks through intelligent sensors and activates protective systems before a crash occurs.

Standard features	All our models are equipped with basic intelligent driving assistance functions, including lane keeping, automatic emergency braking, blind-spot monitoring, forward collision warning, and adaptive cruise control, providing fundamental mobility safety protection.
Flagship features	On our high-end vehicle platforms, such as the EXEED EXLANTIX, Navigation on Autopilot (NOA) for both highway and urban roads is being gradually rolled out. Concurrently, forward-looking R&D focuses on multi-target recognition, traffic sign interpretation and adaptive route planning in highway and urban environments, consolidating advanced driver-assistance capabilities.
Technology approach	Guided by real-world road safety, the system iteratively refines algorithms and risk warning models using extensive traffic accident data. Perception fusion (camera + millimeter-wave radar + LiDAR) ensures stable perception and control in complex traffic environments, and the system proactively undergoes global validation tests.
Data security and ethics	The system design incorporates a mechanism for transparent decision-making in the driver-assistance system, ensuring the traceability of all operations. Additionally, driver status monitoring (including fatigue and attention monitoring) is integrated into the human-machine collaboration framework, enhancing system controllability and accountability.

In-accident Protection

Chery Auto is committed to comprehensive safety across its entire vehicle range, from microcars to high-end flagship models. With NCAP safety standards as the foundation and built on our "Rock Solid Body" platform, we mitigate collision impacts through multi-path force conduction design, while an all-around airbag protection system provides reliable and effective protection for drivers and passengers.

Body structure	Constructed from ultra-high-strength steel, hot-formed steel, aluminum alloys, and composite materials, our design adopts a dual-layer approach: energy-absorbing zones to dissipate impact forces and a rigid occupant cabin to resist deformation. Key areas, including the A/B pillars, rocker panels, and front longitudinal beams, form a cage-like energy-absorbing cabin, enhancing overall crash protection.
Occupant protection design	Far-side airbags separate the heads of the driver and the front passenger, significantly reducing the risk of secondary injuries. Airbag controllers are integrated with ADAS perception data to optimize deployment timing. Side curtain airbags using OPW technology maintain inflation for six seconds, effectively mitigating rollovers and multiple impacts. Active pre-tensioner seat belts with load-limiting function tighten before predicted collisions, reducing forward occupant movement and reinforcing overall restraint.
Battery safety	We manage battery safety across seven dimensions throughout its lifecycle: design, quality, parts logistics and warehousing, vehicle production, vehicle logistics, fault warning, and after-sales maintenance. Our in-house batteries undergo 52 full-scenario safety tests, 28 more than required by the latest national standard. This includes two proprietary extreme tests: 1) battery cells are simultaneously punctured with three needles after 50% compression deformation, with no thermal runaway observed; 2) the battery shows no smoke or fire after sequential tests including compression, puncture, fire exposure, and short circuit, safeguarding users' lives.

Post-accident Response

We have established a full-chain emergency response system to improve accident survival rates, reduce injuries, and assist first responders.

Emergency rescue system	Vehicles feature an emergency call system with backup power, enabling calls to emergency services even if the main power is lost, during a collision, or in case of thermal runaway. Within 60 seconds of activation, the system automatically uploads critical data, including vehicle location, collision direction, and number of occupants, to the rescue platform, and assists in contacting emergency services such as 120 (China's emergency medical number).
High-voltage cutoff mechanism	All hybrid and electric models are equipped with a collision-triggered high-voltage cutoff. Industry-leading active disconnection technologies, including relay-based and fuse-based methods, enable the power battery to cut off the high-voltage circuit within two milliseconds of detecting a collision signal, ensuring the safety of first responders. Additionally, physical disconnect switches are respectively installed in both the front and passenger compartments to ensure high-voltage isolation in all collision scenarios.
Post-collision door unlock technology	This system automatically unlocks doors after a collision, triggered by any of three algorithmic conditions: changes in vehicle speed beyond a preset threshold, low-speed collision acceleration patterns, or imminent airbag deployment signals. This facilitates occupant escape and allows emergency responders to access the vehicle. Additionally, mechanical interior door handles remain operable even in complete power loss, ensuring occupants can exit safely.
Submersion rescue	In the event of vehicle submersion, the vehicle's airtightness and window power system are optimized to ensure windows remain operable for at least three minutes, giving occupants sufficient time to escape.

Case

Fulwin T11: Comprehensive Safety Protection

Chery Auto's Fulwin T11 is built around the core principle of "Safety-Centered Mobility", establishing a comprehensive safety system aligned with global five-star safety standards and covering five key areas: passive safety, active safety, battery safety, functional safety, and information security. In terms of passive safety, the T11 adopts a wrap-around load path structure and an integrated space-capsule body design, enhancing collision resistance and creating a robust survival space for occupants. For active safety, the vehicle integrates more than 30 functions, including automatic emergency braking, lane departure assist, and lane-change assist. These functions enable accurate detection of vulnerable road users, such as children, pedestrians, and two-wheelers, and support safe operation in all weather conditions, including rain and nighttime, effectively safeguarding both occupants and public road safety. Regarding battery safety, the T11 features a dedicated high-safety battery system, with performance in waterproofing, crash resistance, thermal insulation and heat dissipation, and high-voltage safety well above national standards. Finally, the vehicle emphasizes functional safety and information security by focusing on system stability and end-to-end protection of in-vehicle data, certified under stringent functional safety standards and secured with data encryption, providing comprehensive safety assurance.

Building

a Collaborative and Win-Win Value Chain

Chery Auto always upholds a win-win cooperation philosophy, leveraging its influence in the value chain. Through full lifecycle management of suppliers and empowerment of upstream and downstream partners, it deepens collaborative governance and shared responsibility with global value chain partners, promoting the resilience and efficient transformation of the automotive industry, and making high-quality development the core foundation of the industrial ecosystem.

Material Topics

- Responsible supply chain
- Global user operations

2025 Key Performance Indicators

- 100% tier-1 supplier signing rate for the *Supplier Code of Conduct*
- Total supplier training hours accumulated reached 4,483 hours
- Provided carbon management training to 95 suppliers, and conducted green electricity surveys for 138 suppliers
- Organized 3 "Partnering with Outstanding Suppliers" events, with a total of 120 suppliers participating
- A total of 606 suppliers completed CMRT declarations
- 4,147 dealer training sessions conducted
- 99.7% dealer training participation rate

Enhancing Supply Chain Resilience

A safe and reliable, efficient and agile, and resilient supply chain is a key component of global core competitiveness. In response to the increasingly complex global economic landscape and development environment, Chery Auto is committed to building a high-quality, sustainable supply chain, continuously improving its full lifecycle supplier management system, and ensuring the long-term sustainable development of its supply chain.

Supplier Management

To meet the demands of its global strategic deployment and diversified business expansion, Chery Auto deeply integrates ESG management requirements into its supplier management, and leverages digital technology as a key enabler to build a safe and efficient global supply chain management system. In addition, through measures such as training and exchanges, the overall capabilities of suppliers are empowered and enhanced, promoting the transformation and upgrading of the supply chain and collaborative win-win outcomes.

Supplier Management Mechanism

The Company follows systems such as the *Supplier Introduction Management Policy, Supplier Quality Audit Management Policy, Supplier Performance Evaluation Management Policy* and *Production Material Supplier Phase-Out Management Policy* to standardize the full lifecycle management of suppliers, ensuring the compliance, quality controllability, and traceability of the supplier management process.

Supplier Admission

Supplier admission audit

We strictly follow the *Supplier Introduction Management Policy* to establish a multi-dimensional supplier admission audit system covering compliance, qualification and core capability dimensions, so as to comprehensively control the quality of supplier admission. We give priority to suppliers with better performance in ESG aspects such as environmental protection, labor and human rights, occupational health and safety, and product quality. Meanwhile, we take compliance issues as the rigid bottom line for supplier admission. If any compliance problem is identified upon verification, the Company will reject the supplier from entering the supplier pool, and re-evaluation will be conducted only after the supplier completes comprehensive rectification and passes the re-inspection. In 2025, the Company completed audits of 302 tier-1 suppliers, 6 tier-2 suppliers and 5 tier-3 suppliers, and issued audit reports for potential suppliers as an important basis for subsequent admission and cooperation.

Supplier Admission Audit System

Compliance dimension	Inclusion in the list of dishonest persons subject to enforcement, records of major environmental or production safety accidents, commercial bribery, major violations of laws and disciplines, etc.
Qualification dimension	Registered capital, years of establishment, financial status, manufacturing experience, system certification, etc.
Core capability dimension	Manufacturing capacity, quality control capability, design capability, business operation capability, etc.

Supplier admission commitment

We require suppliers to sign documents such as the *Supplier Integrity Statement* and the *Supplier Code of Conduct* to clarify their responsibilities and standards in sustainability management. In 2025, 100% of newly onboarded suppliers signed the supplier commitment letter.

Supplier Assessment

We evaluate suppliers annually based on the *Supplier Performance Evaluation Management Policy* across four dimensions: quality performance, overall performance, business importance, and willingness to cooperate (including ESG performance). Based on the assessment results, suppliers are categorized as Core, Preferred, General, and Marginal. Based on this, we implement dynamic tiered management of suppliers, tailoring differentiated collaboration strategies according to suppliers' performance and engagement status, thereby optimizing the supply chain structure efficiently and enhancing the overall competitiveness of the supply chain.

Supplier Classification Management

Core suppliers	Eligible for project supply and given priority for participation in Chery's high-end brand projects
Preferred suppliers	Eligible for project supply, required to maintain stable supply quality
General suppliers	Eligible for project supply; those in need will be included in the capability improvement list through regular evaluations
Marginal suppliers	Not eligible to participate in project supply

Supplier Exit

When a supplier records unsatisfactory performance evaluations for four consecutive quarters, or is involved in other serious breaches of contract, the Company will implement supplier phase-out measures. In 2025, based on quality performance, business status, and risk assessment, we phased out 54 suppliers.

Supplier Engagement

The Company actively advances supply chain capability development. By delivering empowerment training, providing exchange opportunities, and taking other multi-dimensional measures, the Company deepens its systematic support for supply chain partners, helps enhance their quality management, technological innovation, and ESG management capabilities and works together to build an open, mutually beneficial, and sustainable collaboration ecosystem.

Supplier Empowerment

Quality management training: We implement a Supplier Quality Development Program for key category suppliers, supporting them in preparing process capability improvement plans. Dedicated professional teams conduct monthly on-site supervision and assistance to provide targeted support, thereby strengthening the quality control capabilities of supply chain partners.

ESG empowerment training: Leveraging the "Cloud Learning Hub" online platform, we deliver dedicated ESG training programs for suppliers. The courses cover core topics such as quality management, production safety, and environmental protection, comprehensively communicating Chery Auto's ESG standards and requirements to partners. In addition, we organize centralized training for suppliers undergoing ESG audits, both before the audit and in the post-audit review stage. The training covers basic knowledge of sustainable development, management capability improvement approaches, audit procedures and result analysis, typical case sharing, etc. We also invite third-party audit institutions to participate in the training and guidance for suppliers. We actively share peer ESG best practices with suppliers to help them continuously improve their ESG management capabilities.

Partnering with outstanding suppliers: We are committed to building an efficient communication and interaction platform among suppliers, creating opportunities for collective improvement. In 2025, we organized three "Partnering with Outstanding Suppliers" activities, with participation from 120 suppliers in total. Nine industry experts were invited to share insights, continuously empowering suppliers to enhance capabilities in areas such as AI-driven and intelligent upgrades and the deepening of global expansion strategies. Through peer learning and exchange, we fostered a learning ecosystem with strong demonstration and leadership effects.

Excellent supplier technology showcases: We invite excellent suppliers to present technological innovations enabled by their advanced products, breaking down information silos and collaboration bottlenecks across the supply chain, and promoting efficient resource integration and complementary capabilities. In 2025, we organized a total of 12 technology showcase events, further strengthening the bridge between supply chain technology exchange and the commercialization of results, and supporting the enhancement of overall supply chain innovation capabilities.

Case

Chery Supply Chain Ecosystem Annual Conference

On January 9, 2025, Chery Auto held a Supply Chain Ecosystem Annual Conference in Wuhu under the theme "Uniting Strength Across Regions, Leading the Future with Intelligence". The conference aimed to build consensus among global partners, reinforce high-quality delivery capabilities, and strengthen supply chain collaboration in preparation for a new phase of growth and international expansion. In terms of product development, the Company emphasized that the creation of best-selling products must remain firmly user-centric, calling on suppliers to engage more closely with end users, respond directly to user needs, and continuously iterate products and services around user value. In R&D innovation, the Company encouraged suppliers to deepen their efforts in cutting-edge technologies, supporting Chery Auto in strengthening its "Technology-driven Chery" brand across multiple technology pathways, including fuel-powered, hybrid, range-extended, battery electric, and hydrogen-powered vehicles. With respect to quality management, the Company clarified the non-negotiable baseline for product quality control, requiring supplier partners to uphold both quality and integrity in order to jointly safeguard the dignity of the product and the dignity of the brand.

The conference also featured a Joint Overseas Expansion Cooperation Signing Ceremony and an ESG Joint Initiative Signing Ceremony, mobilizing suppliers to work together to expand into global markets and jointly practice the concept of sustainable development. In addition, six awards were presented to recognize outstanding partners, including the Outstanding User Empowerment Award, Outstanding Collaborative Partnership Award, Special Contribution Award for Collaborative Innovation, Outstanding Development and Innovation Award, Outstanding Quality Performance Award, and Excellent Supplier Award. Looking ahead, Chery Auto will continue to expand the market with its suppliers, leveraging the strength of the "chain" to build a supply chain ecosystem with greater new quality productive forces, achieving long-term win-win results.

Supplier Satisfaction Survey

To obtain a scientific and accurate understanding of supplier satisfaction with the Company and continuously improve supplier relationships, we conduct supplier satisfaction surveys through the Supplier Relationship Management (SRM) system. Supplier feedback issues are analyzed, summarized, and systematically resolved, enabling continuous improvement in satisfaction levels while strengthening collaborative relationships. In 2025, surveys were conducted among 421 representative suppliers. The results showed a sustained upward trend in supplier satisfaction, demonstrating steady improvement in the Company's supply chain empowerment capabilities.

Sustainable Procurement

Chery Auto is firmly advancing the transformation of its supply chain toward a greener, lower-carbon, and more sustainable model. Through systems such as the *Supplier Code of Conduct* and the *Responsible Sourcing Statement*, the Company requires alignment with and compliance with its social responsibility standards as a prerequisite for supplier admission. Chery Auto clearly communicates ESG expectations to suppliers across areas including labor and human rights, business ethics, environmental ecosystem, product quality, and health and safety, forming responsible and sustainable partnerships throughout the supply chain.

Sustainable Procurement Management System

The Company has systematically established a supplier sustainability management organizational structure. Under the Company's Strategy and Sustainability Committee, a Supply Chain Sustainable Development Working Group has been formed to coordinate the implementation of supply chain ESG strategies and the collaborative optimization of sustainable procurement practices. The Working Group comprises three levels—a management group, a coordination group, and an execution group—and reports regularly to the Sustainability Management Committee on the status of supply chain ESG management, ensuring effective oversight and management of supply chain-related risks.

Organizational structure of the Supply Chain Sustainable Development Working Group

Level	Key Responsibilities
Management group	Led by the Company's Vice President, responsible for reviewing ESG management objectives, evaluating ESG plans, and reviewing ESG decisions for the supply chain
Coordination group	Responsible for executing tasks assigned by the Sustainability Management Committee and coordinating cross-functional collaboration among R&D, quality, and other business units, as well as ESG experts, to advance globally integrated supply chain ESG initiatives
Execution group	Responsible for implementing day-to-day management activities and performance indicator requirements

For the frontline procurement team, we have continuously strengthened its core competencies. During the reporting period, we successively launched system training on supply chain ESG management, system training on supply chain due diligence management, specialized training on supply chain due diligence, and training on frontier topics such as "zero deforestation", thereby strengthening the procurement team's capabilities in supplier compliance as well as environmental and social risk management. In addition, we dispatched different procurement staff to participate in seminars and training sessions on labor rights protection and greenhouse gas management in Beijing, Wuhan and other places, steadily deepening the Company's sustainable supply chain capacity building.

In 2025

100% of the procurement team personnel received sustainable development-related training

Sustainable Procurement Risk Management and Due Diligence

Based on international and industry standards such as the OECD *Due Diligence Guidance for Responsible Business Conduct* and the *United Nations Guiding Principles on Business and Human Rights*, the Company has formulated the *Supply Chain ESG Due Diligence Management Procedure* and the *Supply Chain ESG Risk Identification and Evaluation Rules Management Policy* to systematically standardize the full-process control of suppliers' ESG risk identification, risk assessment, risk classification and risk response. Supported by the institutional system, the Company has gradually improved the supplier risk diagnosis system, conducting risk assessment in combination with suppliers' characteristics such as business relevance (e.g., proportion of procurement volume), country/region of operation, industry affiliation, products provided and their substitutability. The Company conducts risk assessment from two dimensions: the "probability" of risk occurrence and the "degree of impact", so as to implement hierarchical and classified management and audit of suppliers and formulate differentiated risk identification and response strategies. In 2025, a total of 690 suppliers underwent ESG desktop /on-site evaluation, with 61% of key suppliers had been assessed. Among them, 3 suppliers were assessed as having significant negative impacts, and all relevant business cooperation with them was terminated during the reporting period. For suppliers with minor negative impacts, we have provided online improvement support plans to help them reduce and eliminate relevant impacts.

Coverage rate of tier-1 suppliers under second-party verification within three years for Chery Auto

2025 Achievement	2026 Target
100%	Maintain 100%

Risk identification	We refer to and abide by the requirements of various international standards and guidelines, and align with domestic and foreign laws and regulations related to ESG, including compliance, environment, human rights, and safety. Combined with the concerns of stakeholders, we accurately identify the core ESG risk areas in the supply chain.
Risk assessment	Based on the core risk areas, we have established a three-tier supply chain ESG due diligence framework comprising desktop assessment, second-party verification, and third-party evaluation: Desktop assessments are conducted using a "1+N" categorized and tiered supplier ESG due diligence questionnaire as the primary tool, and suppliers complete self-assessment questionnaires and submit supporting documentation, enabling the identification of potential risks. For suppliers identified as high-risk after self-evaluation, second-party or third-party evaluations are initiated: Second-party verification is conducted online or on-site by the Company's evaluation experts, focusing on the implementation of key areas such as environmental compliance, occupational health and safety, and labor rights protection; third-party evaluations are carried out by authoritative external institutions, providing objective and professional multi-dimensional validation and further strengthening supply chain ESG risk management.
Risk classification	Based on assessment outcomes, suppliers are classified into four categories: Benchmark, Good, Improvement Needed, and High-Risk.
Risk response	For any failure to meet the minimum requirements identified in the due diligence, we require suppliers to submit a rectification plan within a specified time limit, clarifying the rectification measures, person-in-charge and timeline. After the rectification plan is reviewed and approved by procurement staff, the supplier shall implement rectification in accordance with the plan, which will be continuously followed up by procurement personnel. In addition, the due diligence results are integrated into the supplier's annual comprehensive rating system as an important basis for contract renewal. Suppliers still assessed as High-Risk after due diligence or rectification may trigger the exit mechanism.

Note: The "1+N" Supplier ESG Due Diligence Questionnaire consists of "1" general questionnaire, used to identify and assess suppliers' risks and risk management capabilities across environmental, social, and governance dimensions; and "N" specialized compliance questionnaires, such as the EUDR Deforestation-free Product Questionnaire and the EUBR Battery Supply Chain Questionnaire, used to assess suppliers' specialized compliance capabilities.

Responsible Minerals

As a downstream enterprise in the industrial chain, Chery Auto does not directly purchase or use 3TG (tin, tantalum, tungsten, gold) metals in daily operations and production, nor does it directly procure batteries and related key raw materials (such as cobalt, lithium, nickel, graphite, etc.). However, given the multi-tiered and cross-regional supply chain structure between the Company, smelters and refiners (SoRs), as well as raw material processing process, the effectiveness of the Company's traceability management and risk control over conflict minerals and battery materials depends to a large extent on the collaborative response and systematic cooperation of tier-1 and other upstream suppliers.

Therefore, the Company remains committed to promoting responsible mineral sourcing within its own business influence. Through the following systematic due diligence practices, we enhance supply chain transparency and strengthen collaborative management with suppliers, ensuring that the Company and its supply chain partners jointly comply with internationally and industry-recognized responsible sourcing standards and initiatives requirements. This enables us to identify, prevent and mitigate ESG risks related to conflict minerals and battery materials in the supply chain.

Conflict minerals due diligence – number of suppliers completing CMRT reporting

2025 Achievement	2026 Target
606	650

Responsible Minerals Management

Formulate the *Supply Chain ESG Due Diligence Management Procedure* to clarify specialized management requirements for 3TG minerals (tin, tantalum, tungsten, gold), lithium, cobalt, nickel, natural graphite and other minerals;

Conduct responsible minerals due diligence, issue the CMRT questionnaire to all tier-1 suppliers, and issue the EMRT/AMRT questionnaire to key battery suppliers;

Use a risk matrix to assess and classify risks associated with smelters and refiners (SoRs);

Gradually increase the proportion of procurement from SoRs certified under the Responsible Minerals Assurance Process (RMAP), and engage with suppliers that have not yet adopted RMAP-validated SoRs, encouraging them to urge SoRs to undergo validation;

Regularly disclose progress through the Company's official website and annual reports.

Low-carbon Supply Chain

The Company joins hands with supplier partners to advocate the use of clean energy globally and realize greening and decarbonization at the supply chain end. We have issued the *Supply Chain Carbon Management Statement*, integrating low-carbon development requirements into supplier management. Meanwhile, at the 2025 Supplier Conference, we launched the net zero initiative entitled "Carbon Exploration · Driving the Future — Jointly Building a Green Supply Chain", putting forward 12 actions including goal co-establishment, green design, and technology sharing, to promote the green and low-carbon transformation of the entire supply chain together with supply chain partners. In 2025, we provided carbon management training to 95 suppliers and conducted green electricity surveys on 138 suppliers, committed to building a green, low-carbon, resilient and efficient supply chain ecosystem.

Deforestation-free Procurement

The Company strictly complies with applicable forest protection laws and regulations in the countries and regions where it operates, including the *Forest Law of the People's Republic of China* and the *EU Deforestation Regulation* (EUDR), and actively practices deforestation-free trade. We have formulated the *Deforestation-free Statement*, with a particular focus on the supply chain management of rubber and timber. We require relevant suppliers to commit that the raw materials used in their products (including rubber, timber, etc.) are not associated with deforestation, illegal logging, or ecosystem degradation. Through these measures, the Company promotes the transition of its supply chain toward a nature-positive economy.

Case

Responding to the *EU Deforestation Regulation*: Building a Traceability System for the Natural Rubber Supply Chain

As Chery Auto's European market continues to expand, tires and cushioning components that use large amounts of natural rubber will fall within the scope of EUDR regulation. To address this challenge systematically, the Company conducts due diligence using the EUDR zero-deforestation dedicated questionnaire, requiring upstream suppliers to mandatorily submit geographic information on raw material origins, and integrates zero-deforestation regulatory compliance requirements into the Company's procurement process, achieving systematic prevention of non-compliant procurement practices. Meanwhile, deforestation risk assessments are carried out through supplier information analysis and necessary on-site reviews. If relevant risks are identified, the Company collaborates with suppliers to implement risk mitigation or remedial measures (such as training and capacity-building, improved traceability and document management, and material supplier replacement when necessary) and conducts on-site verifications of rubber processors and forest areas to strengthen the foundation of traceability and compliance. As of the end of the reporting period, the Company has successfully established a comprehensive zero-deforestation management system to ensure product compliance.

Responsibilities in Sustainable Procurement

The Company actively fulfills its responsibilities in sustainable procurement by participating in industry-wide sustainable procurement initiatives and relevant associations. The Company contributes to the development and implementation of common industry standards for sustainable procurement, reinforcing the foundation of green procurement management across the sector.

Case

Establishment of the "Automotive Industry Chain Sustainable Compliance Management Cooperation Mechanism"

Chery Auto, together with multiple enterprises, officially initiated and established the "Automotive Industry Chain Sustainable Compliance Management Cooperation Mechanism". Aimed at addressing the common challenges under the new global supply chain regulations featuring "high transparency, strict standards, and strong responsibilities", this cooperation mechanism is designed to resolve the pain points and difficulties enterprises face in supply chain due diligence, data sharing, cross-enterprise mutual recognition, and rectification and improvement, thereby better responding to product export compliance. Based on the actual situation of the industry, the mechanism adheres to the core principles of "co-building standards, sharing responsibilities, sharing data, promoting common development, and achieving a win-win future". It aims to build the industry's first full-chain sustainable compliance collaborative governance platform, advancing the automotive industry chain towards high-level compliance and sustainable development.

Chery Auto's Responsibilities in Sustainable Procurement

- Collaborator of DRIVE SUSTAINABILITY
- Joined the Initiative for Responsible Procurement (IRP)
- Initiated the Automotive Industry Chain Sustainable Compliance Management Cooperation Mechanism

Building a Responsible Marketing Ecosystem

Chery Auto is committed to building a responsible marketing ecosystem. By establishing a standardized dealer management framework and strengthening systematic training and end-to-end supervision mechanisms, the Company urges dealers to uphold the principles of honest and compliant operations, firmly preventing misconduct such as false advertising and excessive marketing. These efforts ensure the continuous delivery of high-quality products and service experiences to customers worldwide.

Dealer Management

The Company exercises dealer oversight across dealer admission, development, inspections, evaluations, and surveys, thereby establishing a healthy, robust, and effective global dealer network management system.

Admission: During the admission of new dealers, we conduct rigorous reviews of prospective dealers' personnel capabilities, financial strength, operational commitment, and store conditions, ensuring that newly admitted dealers possess a solid foundation for sustainable operations.

Development: After entering the network, new dealers receive unified visual identity design and store construction guidance provided by professional project management firms. Joint acceptance inspections involving three parties are organized to ensure their compliance with terminal operation standards.

Inspection: In terms of quality monitoring and audits, each brand division of Chery Auto has established a multi-layered dealer inspection system that integrates unannounced on-site inspections, announced on-site inspections, and online verification. These efforts are coordinated with departments such as the Marketing and Service Center to promote self-assessment and continuous improvement across brands, enhancing overall dealer management capabilities.

Evaluation: Establish a dealer evaluation mechanism, formulate sales and service evaluation standards, and implement targeted improvements based on inspection results to promote the continuous improvement of dealer management.

Survey: The Company has established a dealer capability survey mechanism, conducting periodic surveys and collecting feedback from dealers to better understand their needs. Resources are allocated to support dealer training and other capability-building initiatives, helping dealers unlock their business effectiveness.

In addition, we place strong emphasis on dealer empowerment through training, viewing dealers as an integral part of business development. The Company communicates its service philosophy and quality standards to all dealers and continuously supports improvements in terminal operation management. The Company helps dealers rapidly enhance their capabilities through product training, role-based certification, and other initiatives.

Case

JETOUR Brand Division "Jiejun Training Camp" Program

In 2025, the JETOUR Brand Division of Chery Auto launched the "Jiejun Training Camp", delivering specialized training targeting key roles among JETOUR Shanhai series dealers, including sales directors, sales consultants, and live-streaming hosts. The program focused on systematic training on brand understanding, product knowledge, and sales processes. A total of 61 training sessions were conducted throughout the year, with approximately 20 participants per session, reaching 1,240 participants in total. The program effectively strengthened the professional capabilities of frontline personnel and supported sustained growth in terminal sales performance.

Responsible Marketing

Strictly complying with applicable laws and regulations in all operating locations, including the *Advertising Law of the People's Republic of China* and the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, Chery Auto conducts marketing and promotional activities in line with regulatory requirements and ethical standards. We have formulated the *Responsible Marketing Policy*, requiring all marketing materials to go through the Company's review to ensure compliance and the dissemination of positive values. We conduct specialized audits on responsible marketing every year, and regularly carry out self-inspection and self-correction on non-standard marketing issues, ensuring that all brand communication materials are true, accurate and free from excessive promises, and resolutely eliminating misleading publicity practices.

Case

Responsible Marketing Training for Online Platforms

Chery Auto regularly provides responsible marketing training for its marketing teams and dealer personnel, clearly requiring all relevant staff to adhere to a unified code of responsible marketing conduct. Practices such as false advertising, misleading claims, and customer deception are strictly prohibited to effectively safeguard consumers' legitimate rights and interests. In 2025, the Company delivered responsible marketing training through the Chery Online Academy and the training platforms of various brand divisions. Training coverage reached 100% of employees across internal marketing departments and advertising channels, and also extended to dealer-side store managers, regional directors, sales teams, and marketing personnel. The core course, Legal Risks and Prevention in Advertising under Responsible Marketing, systematically interpreted legal and regulatory requirements related to advertising and promotion. It focused on high-frequency risk areas such as false advertising, intellectual property infringement, and promotional compliance, together with corresponding mitigation measures. This course aimed to comprehensively strengthen compliance awareness across both internal teams and the dealer network, supporting full-chain marketing risk prevention and the steady practice of the responsible marketing philosophy.

Through the continued advancement of responsible marketing initiatives, we have successfully communicated our sustainability and responsibility principles to a broad consumer base. In its regular brand awareness surveys, the Company included ESG trust and ESG performance as core sustainability-related indicators (with a combined weighting of approximately 2%) to assess consumers' awareness of and trust in the Company's ESG governance. Survey results showed that 96.8% of consumers expressed recognition of the Company's overall ESG performance, significantly exceeding the interim target that 80% of consumers recognize Chery Auto as a brand with sustainability attributes. In addition, in-depth analysis of brand awareness survey results indicated a generally positive correlation between brand awareness and sales growth or decline, demonstrating that enhancing positive brand perception through responsible marketing had become a key driver supporting brand development and stable business growth.

Empowering

People to Grow and Thrive

Chery Auto regards its employees as its most valuable asset and adheres to a people-oriented development philosophy. The Company is committed to fully safeguarding employee rights and interests, building clear pathways for talent development, enhancing occupational health and safety protection, and fostering a happy, healthy, and dynamic workplace. By working hand in hand with its employees, Chery Auto strives to share the outcomes of coordinated and sustainable growth.

Material Topics

- Employee rights
- Employee development and training
- Diversity and equality
- Occupational health and safety

2025 Key Performance Indicators

- 70,103 employees worldwide
- 100% of employees covered by independent trade unions or collective bargaining agreements
- Total training expenditure for employees in China reached RMB 32.27 million
- Zero occupational diseases, ISO 45001 certified for 7 consecutive years
- A total of over 3,300 safety and environmental protection training sessions have been conducted, with a cumulative attendance of more than 200 thousand person-times

Strengthening Employee Rights

Chery Auto effectively safeguards employee rights, continuously enhances its human rights management, and progressively establishes and improves a human rights risk management framework to ensure global compliance. At the same time, the Company has established open and effective communication channels for employees, actively promotes democratic participation in corporate governance, and is committed to building harmonious labor relations, with the goal of creating a happy and inclusive workplace.

Human Rights Protection

We respect and protect the labor rights of all employees and business partners. We strictly comply with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other applicable laws and regulations, while also adhering to labor laws and labor standards in all countries and regions where we operate, including the European Union, South America, and Southeast Asia. We are committed to upholding the human rights requirements set out in international conventions and initiatives such as the *International Human Rights Conventions*, the *ILO Declaration on Fundamental Principles and Rights at Work*, and the *Ten Principles of the United Nations Global Compact*. We have established a labor rights management system covering our global self-operated entities, supply chain, contracted operations, and other business relationships. We have formulated the *Human Rights Policy Statement*, which clearly defines our management principles across key human rights topics. We strictly prohibit child labor, human trafficking, forced labor, workplace violence, and harassment, and effectively safeguard employees' legitimate rights in areas including remuneration and performance management, working hours and leave, employee benefits and care, freedom of association and expression, as well as non-discrimination and equal opportunity.

Labor Rights Protection

Prevention of child labor and forced labor	The Company explicitly prohibits the use of child labor and forced labor and has established end-to-end control mechanisms covering interview screening, onboarding verification, and regular identity reviews. While strictly protecting personal information security, these measures help prevent non-compliant employment risks at the source. In addition, we have put in place procedures for identifying labor compliance risks and addressing adverse incidents, ensuring timely response and proper remediation in the event of violations. If we identify suspected cases of child labor or forced labor, we will immediately suspend the individuals involved from work, report the matter to the relevant authorities in accordance with applicable laws, and assist with their safe return to their place of origin or provide lawful and compliant placement solutions. In 2025, the Company recorded no incidents involving child labor or forced labor.
Respect for political rights and freedom of association	The Company fully respects employees' rights to freedom of association as well as their political rights, including participation in elections and voting. Through a collective consultation mechanism held once every three years, Chery Auto builds effective communication bridges between management and employees and continuously improves labor relations.
Equality, non-discrimination, and anti-harassment	Any form of workplace discrimination, harassment, or violation of professional ethics is strictly prohibited, including differential treatment based on nationality, gender, age, ethnicity, disability status, or other characteristics. The Company actively fosters a fair and inclusive development environment for women, persons with disabilities, foreign employees, ethnic minority employees, and other groups. In the event of discrimination or harassment incidents, the Company will promptly initiate an investigation, take disciplinary action against responsible parties in accordance with laws and regulations, and implement effective corrective measures.
Compensation and social security	Chery Auto has established a scientific, reasonable, and fair compensation system to ensure that employee remuneration aligns with job value and performance contribution. Taking into account local market conditions and living standards, the Company regularly reviews and optimizes its compensation structure, strictly implements the principle of "equal pay for equal work", and ensures that wages are not lower than local minimum wage standards. We provide employees with appropriate overtime compensation, and ensure that all employees are covered by social insurance, pension, and other social security programs in accordance with the laws and regulations of the countries and regions in which they are employed.
Working hours and leave	The Company strictly complies with local labor laws and regulations and has established policies such as the *Attendance Management Guidelines* and the *Implementation Guidelines on Paid Annual Leave* to scientifically monitor working hours and reasonably arrange work schedules. The Company fully guarantees employees' access to statutory paid annual leave, marriage leave, maternity leave, and other legally mandated leave, and actively respond to employees' leave requests for accompanying their children during exams.
Advance notice of operational changes	The Company clearly defines minimum consultation or notification periods for large-scale layoffs, ensuring that employees receive timely information and have sufficient time to prepare and seek alternative employment opportunities.

We have established a human rights due diligence mechanism covering the entire value chain, including our own operations, business activities, supply chain, and new business relationships. The Company conducts systematic and regular reviews of potential human rights issues such as working hours, forced labor, child labor, freedom of association, collective bargaining rights, and discrimination. For suppliers and other partners identified as posing significant human rights risks, corrective actions are required within a defined timeframe or termination of cooperation will be implemented as appropriate. During the reporting period, we carried out due diligence covering suppliers and dealers, focusing on their own employees, third-party employees, and migrant workers. We conducted compliance reviews on key issues including forced labor, child labor, discrimination, and freedom of association. No partners with significant human rights risks were identified.

Human Rights Due Diligence Process

Risk identification	Guided by the *UN Guiding Principles on Business and Human Rights*, the Company conducts risk screening across all global operating sites, key tier-1 suppliers, and dealers. Through this process, the Company identifies and assesses actual and potential adverse human rights impacts arising from its business activities and develops risk heat maps to pinpoint high-risk entities.
Risk assessment	The Company engages independent third-party organizations to carry out in-depth on-site assessments. These assessments cover labor conditions, working hours, freedom of association, and wage payments. For each material gap identified, the Company formulates corrective action plans within defined timelines, clearly assigning responsibilities and completion deadlines.
Risk mitigation	The "Ruidun" system is used to track rectification progress and ensure the implementation of all committed measures. Multilingual and multi-channel anonymous reporting channels are open to employees, suppliers and contractors. Once a complaint is verified, remedial procedures will be initiated and the results will be fed back within a specified time limit.
Risk monitoring	The Company tracks the implementation of mitigation measures throughout the entire process to ensure that risk mitigation strategies are effectively executed and deliver the intended outcomes.

Employee Communication

The Company actively listens to employee voices and promotes democratic consultation through mechanisms such as employee representative assemblies. By responding to employee concerns, the Company works together with its workforce to support corporate development. We respect and safeguard employees' right to freely express their views. We have established diversified communication channels to collect employee suggestions and continuously improve employee satisfaction across areas including business management, training and development, and logistical support. To expand the scope of social protection for employees, during the reporting period, the Company leveraged online platforms, offline proposal submissions, and communication mechanisms to collect a total of 509 pieces of employee feedback on cafeteria services, shuttle bus arrangements, employee care gifts, and health examination services. The Company launched targeted improvement initiatives in response to key issues and addressed employee needs in a timely manner.

In addition, to accurately identify employees' core needs, during the reporting period we conducted an annual employee development index survey focusing on job satisfaction, goal achievement, career well-being and work pressure. Based on the survey results, we formulated improvement plans focusing on employees' key concerns including career development, compensation and benefits, work recognition, and work-life balance, to further enhance the employee experience.

Employee Communication Channels

Offline dialog sessions	We regularly organize offline group discussions for different employee groups, including CEO breakfast sessions, "Blue Plate Talks", talent forums, and new employee dialogues, innovatively creating a "discussion+" communication model for in-depth exchanges. We also provide targeted training for employees on transformation and job transfer, accurately grasping the unique development needs and challenges of each group to promote effective interaction and problem-solving.
Open mailbox	The Company has established dedicated public email mailboxes for the Chairman and senior management, open to all employees. These channels collect employee opinions and suggestions on corporate strategy, corporate culture, management practices, and major matters, creating an efficient two-way communication bridge.
Online platforms	Through internal forums, the Company provides 24/7 communication channels that support real-time and flexible feedback. Employees can share suggestions on work processes, cultural initiatives, employee benefits, and the office environment. In addition, through the "Submit a Proposal" and "Submit a Suggestion" sections of the smart trade union platform, the Company widely solicits employee proposals and recommendations. In 2025, the Company collected a total of 42 suggestions through the "Submit a Suggestion" section, all of which received timely responses and were appropriately addressed.

Promoting Talent Development

Chery Auto regards talent as the most valuable asset for corporate growth. The Company provides all global job candidates and employees with fair and inclusive career development opportunities. Through diversified training programs and a well-structured career development framework, Chery Auto supports employees in achieving their individual career goals and long-term professional growth.

Talent Attraction

The Company adheres to a talent-first development strategy and actively implements a three-tier talent pipeline framework comprising strategic leaders, professional experts, and emerging young talent. The Company conducts systematic talent reviews using differentiated competency models aligned with the business strategies of individual departments. These reviews focus on evaluating business effectiveness, organizational effectiveness, and talent effectiveness, clarifying succession planning for key positions, and identifying talent strengths and development needs.

Focusing on international talent acquisition, high-end professional recruitment, and graduate hiring, the Company carries out extensive campus and social recruitment initiatives. At the same time, the Company leverages internal job applications and job rotation mechanisms to efficiently and precisely attract diverse talent, continuously strengthening its professional capabilities. During the reporting period, we updated the *External Recruitment Operating Guidelines* to further optimize the recruitment processes and refine employment management practices.

During the reporting period

25,904

new employees hired in China

5,116

new graduates employed in China during the reporting period

Employee Recruitment Channels

Campus recruitment: future talent incubation program

By partnering with world-renowned universities through the "Qiji Talent Program" campus recruitment initiative, we focus on reserving talents for key technical positions and building a robust talent pipeline. In 2025, the Company organized more than five global campus recruitment roadshows, over 30 recruitment briefings, and two doctoral recruitment events. A total of more than 5,100 graduates were hired, covering over 880 job categories across more than 150 academic disciplines.

Social recruitment: mid to senior level talent engine

The Company targets global labor markets to attract industry-leading and internationally experienced mid- to senior-level professionals. These efforts strengthen the talent pipeline and support the Company's global expansion strategy. In 2025, the Company recruited more than 9,000 professionals through social recruitment channels.

Blue-collar recruitment: skilled workforce foundation program

The Company accelerates the development of skilled positions by establishing deep partnerships with vocational and technical colleges to attract skilled workers. In 2025, these initiatives created employment opportunities for more than 50,000 individuals.

Internal recruitment: internal talent mobility program

The Company builds an efficient internal talent pool to promote reasonable employee mobility and respond to business needs rapidly. In 2025, more than 900 employees moved into new roles through internal mobility, reducing the need to fill over 100 positions through external recruitment.

Case

Global PhD Recruitment Program

From October to November 2025, Chery Auto hosted global PhD recruitment events in Wuhu and Shanghai, attracting outstanding doctoral candidates from leading universities in China and abroad. The recruitment events focused on cutting-edge disciplines including vehicle engineering, computer software, artificial intelligence algorithms, mechanical manufacturing, materials science, chemical engineering, and environmental engineering. These events aimed to consolidate global high-end talent resources and further strengthen its technological innovation and R&D capabilities. During the reporting period, the Company concentrated its PhD recruitment efforts on core areas such as new energy powertrain systems, three electric core technologies, and intelligent driving. In total, the Company recruited more than 200 PhD holders across over 150 positions, further strengthening its talent pipeline.

In 2025, the Company's talent management practices received broad recognition from multiple organizations, earning a range of employer branding awards and honors, including:

LinkedIn

"Global Talent Attraction Employer"

Liepin

"Anhui Extraordinary Employer of the Year"

Nowcoder

"AI Recruitment Practice Pioneer Award" and "2025 Most Popular Employer Among College Students"

Maimai

"Employer of Choice"

51job

"2025 Outstanding Employer of the Year"

Zhaopin

"2025 China Best Employer — Campus Recruitment Case Award"

Talent Development and Cultivation

The Company places a strong emphasis on employee cultivation and development. We have established an integrated talent development platform covering management, professional, and skilled roles, and have built a"4+9+3+N" talent development framework. This framework comprises four leadership development tiers, nine professional and technical academies, three strategic talent programs, and multiple customized training initiatives, providing comprehensive and multi-level support for the career development of all employees.

Employees' training courses offered in China

48,717

Total training expenditure in China

RMB 32.27 million

Chery Auto employee training system
Unity of knowledge and practice, integration of training with on-the-job experience

Management personnel	Professional and technical staff			Blue-collar workers
Senior management	R&D academy	International academy	Marketing academy	Top 100 blue-collar elite talent
Middle management	Smart manufacturing academy	Quality academy	Procurement academy	Empowered blue-collar talent
Junior management	Human resources academy	Digital academy	Finance academy	Master technicians
High-potential talent				
Four-level management hierarchy	Nine professional academies			Three categories of skilled talent

Multiple special programs: new employee programs, management lecture series etc.

Leadership Capability Building

We regard management talent as a key driver of long-term value creation and sustainable development. Chery Auto has established a four-tier, full-coverage management development system aimed at building a high-caliber management talent pipeline with global vision and innovation capabilities. To support its globalization strategy, the Company has also developed a diversified international talent development system. Through an internal international talent development program, Chery Auto invites both internal and external expert instructors to deliver structured cross-cultural communication training, continuously enhancing global competence and cross-cultural management capabilities.

Senior management talent	The Company offers advanced executive programs, management lecture series, and the "Ruihua" program, integrating the latest management theories, frontier case studies, and action learning. These initiatives promote the deep integration of theory and practice and comprehensively enhance leadership capabilities among senior executives.
Middle management talent	Through the "Product Line CE Program", the Company emphasizes a combination of capability self-building and practical exercises. This program supports continuous improvement in strategic understanding, business management, and leadership, cultivating a strong backbone of managers with a holistic perspective and change-oriented mindset.
Frontline management talent	The Company has implemented the Frontline Leadership Development Program (C-FLDP) to develop managers with business acumen and international outlook, supporting their smooth transition from technical or professional roles to management positions.
High-potential young talent	The Company has established the "Young Talent Program", focusing on management fundamentals and professional competencies. This program supports young employees in achieving personal breakthroughs and growth, while fostering teamwork and innovation capabilities.

Case

Ruihua Global Talent Development Institute Program

In 2025, we successfully launched the "Ruihua Global Talent Development Institute" program, bringing together 50 core managers. Centered on the Company's global "Five-Direction Strategy", the program combined customized coursework, business-themed practical projects, and executive mentoring. Through these modules, the program significantly enhanced participants' global perspective and strategic thinking, strengthening their comprehensive capabilities in global strategy formulation, innovative management, operational execution, and leadership.

Case

Young Talent Program

In response to evolving customer demands and the automotive industry's transformation toward electrification, intelligence, connectivity, and sharing, the Company launched the "Young Talent Program" to meet the needs of multi-track operations and diversified talent management. The program focuses on developing high-potential young professionals with strong business insight, global vision, and professional expertise. In 2025, the Company delivered seven sessions of the program, with a total of 402 participants, building a high-quality pipeline of young talent to support steady and sustainable corporate development.

Professional Skills Enhancement

For professional and technical talent, the Company adopts a dual-driven approach of specialization and digitalization. Leveraging nine professional academies spanning R&D, intelligent manufacturing, and digital capabilities, Chery Auto has established a systematic and multi-level professional training system. Training curricula are designed around job qualification requirements, precisely aligning with the development needs of employees at different roles and levels, helping them strengthen technical foundations, broaden professional horizons, and enhance overall competence and job readiness. During the reporting period, the Company focused on cutting-edge industry technologies and global development trends, delivering training programs such as the "International Talent Reserve" and "Technology Lecture Series" to actively cultivate technical leaders.

The Company continues to strengthen the independent development of frontline skilled workers by building an integrated training model that combines online learning, centralized training sessions, and hands-on assessments. During the reporting period, we fully advanced three major skilled talent development initiatives—"10k–1k–100–10 Ladder Talent", "Empowered Blue-Collar Talent", and "Top 100 Blue-Collar Elite Talent"—to comprehensively enhance the overall quality of its blue-collar workforce. In addition, the Company actively organizes frontline employees to participate in national, provincial, and municipal vocational skill competitions. By leveraging national-level master studios led by experts such as Wang Jianguo and provincial-level studios led by experts such as Qi Jinhua, the Company promotes technical problem-solving and knowledge exchange, further strengthening its skilled talent pipeline. Furthermore, Chery Auto has partnered with Wuhu Institute of Technology to jointly deliver the "Chery Auto On-Site Engineer Program", which aims to cultivate versatile technical professionals with strong operational skills, process knowledge, management awareness, and collaboration capabilities. This program has been successfully selected for a special initiative of the Ministry of Education of the People's Republic of China.

"10k–1k–100–10 ladder talent" program	This program focuses on building a robust talent pipeline in the manufacturing domain by cultivating diversified manufacturing professionals and strengthening the Company's reserve of skilled manufacturing talent.
"Empowered blue-collar talent" program	Adopting a combined approach of centralized training and thematic assessments, this program provides intensive upskilling for industrial workers. It also pilots innovative cross-track talent mobility mechanisms, contributing to the development of a global talent reserve system. In 2025, the program reached 331 participants and supported 173 employees in optimizing or transitioning their roles, effectively energizing talent development.
"Top 100 blue-collar elite talent" program	Targeting highly skilled professionals such as chief technicians and master technicians, this program accelerates the development of technical leaders through a combination of theoretical instruction and on-the-job practice. In 2025, the program covered 11 professional fields and delivered 139 hours of theoretical training and 153 hours of practical training, benefiting a total of 1,384 participants.

The Company actively embraces the transformation brought by new technologies and deeply integrates the intelligent knowledge system into employees' daily work scenarios. Relying on CheryGPT, the self-developed AI digital assistant platform, it has achieved in-depth connection with 45 core business and management systems, and built a knowledge management center integrating technical, business and administrative knowledge, providing employees with systematic and one-stop access to and application of knowledge. During the reporting period, empowered by its intelligent interaction capability, the platform responded to employee inquiries over 20 million times, delivering precise and personalized knowledge support and work guidance, and further unlocking employees' creativity and productivity.

Case

AI-enabled Business Scenario Innovation Workshop

The Company is committed to supporting a just transition by helping employees adapt to changes in technology and ways of working. With online platforms as the primary channel, we continuously promote digital literacy and foster a culture of broad participation and continuous improvement. In 2025, we launched the "AI-enabled Business Scenario Innovation Workshop", bringing together more than ten core employees from multiple departments. Through 36 customized training sessions and hands-on workshops, the initiative accelerated the practical application of AI technologies across business scenarios, supporting both employee capability enhancement and the Company's digital transformation.

Academic and Professional Qualification Enhancement

The Company provides all employees with support for continuing education, vocational certification, and professional title evaluation, aiming to comprehensively enhance employees' overall quality and professional competence and promote sustained talent development.

Support for continuing education	Chery Auto introduces high-quality educational resources and collaborates with multiple universities to deliver postgraduate programs through equivalent academic pathways. During the reporting period, 125 employees enrolled in these programs, supporting continuous improvement in academic qualifications.
Support for qualification certification	The Company actively encourages employees to obtain a wide range of professional certifications, including Certified Supply Chain Professional (CSCP), Certified Public Accountant (CPA), Human Resources Professional certifications, Project Management Professional (PMP), Legal Professional Qualification, and Corporate Compliance Officer certifications, comprehensively supporting employees' professional capability development.
Support for professional title evaluation	The Company has established a standardized evaluation mechanism to precisely support the advancement of professional and technical qualifications. During the reporting period, 535 employees were certified as Assistant Engineers, 88 as Engineers, and 30 as Senior Engineers. In addition, the Company completed a total of 1,576 skill certification assessments.

Deepening Industry–Academia Collaboration

We are committed to deepening collaboration with academic institutions and building an integrated industry–academia–research talent development system with distinctive "Chery model" characteristics. Through this approach, the Company promotes effective alignment across the education chain, talent pipeline, and innovation ecosystem. We have established diversified and multi-level cooperation mechanisms with universities including Anhui Polytechnic University and Anhui University of Arts, among others. These partnerships focus on frontier technology areas such as intelligent and digital technologies, combining academic research with talent cultivation. In addition, leveraging the Kaiyang Laboratory as a collaborative platform, Chery Auto integrates resources and expertise from multiple parties to continuously enhance the professional capabilities of R&D talent, while jointly advancing technological innovation and practical application. In 2025, the Company partnered with 43 high-quality universities, successfully launched 179 research projects, filed more than 100 invention patent applications, and published over 30 papers in core academic journals, achieving deep integration between talent development and technological breakthroughs.

Case

Strategic Collaboration between Kaiyang Laboratory and Nanyang Technological University

On May 12, 2025, Chery Auto's Kaiyang Laboratory and Nanyang Technological University of Singapore signed a strategic cooperation agreement in Wuhu, Anhui. This milestone marked the establishment of the first overseas collaborative innovation center under Chery Auto's global open innovation initiative. The two parties will collaborate on the research and development of key technologies for new energy intelligent connected vehicles, including electrification, intelligent systems, low-carbon technologies, and industrial clusters, while jointly advancing talent development. Together, we aim to build a cross-border industry–academia–research innovation community.

The Company regards new employee training as a critical component of its talent development strategy. Through systematic course design and diversified training approaches, we support new hires in quickly adapting to job requirements, integrating into corporate culture, and building a solid foundation for long-term career development, injecting momentum into both talent growth and corporate development.

Case

2025 Chery School Enrollment Camp

In 2025, to support campus-recruited graduates in transitioning smoothly from academic life to the workplace, the Company launched the Chery School Enrollment Camp. The program covered three core areas—corporate culture, business skills, and professional competencies—and adopted diversified training formats including classroom instruction, on-the-job practice, and online learning. Through this approach, we established a three-tier onboarding development system comprising the Chery School Enrollment Camp, department-specific professional training, and mentor-guided on-the-job rotations. The training camp reached more than 3,500 employees in total, effectively enhancing new employees' comprehensive capabilities and professional readiness.

Employee Promotion

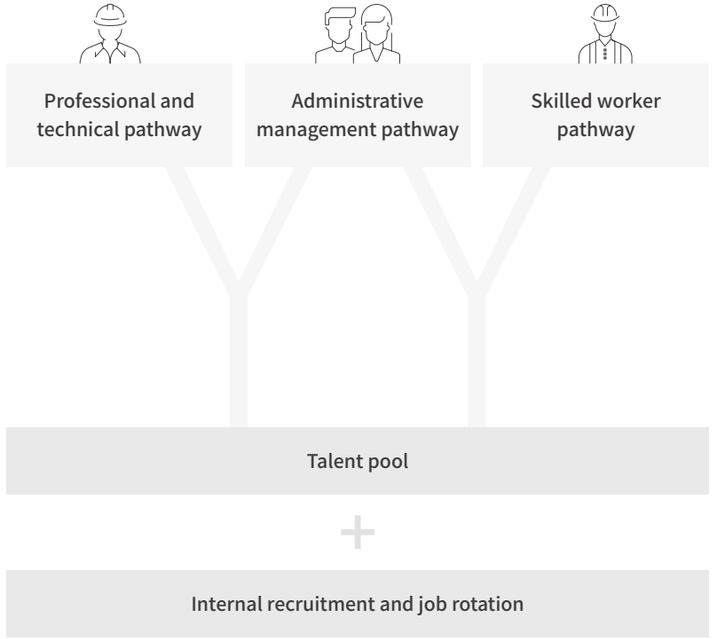
The Company has established transparent and fair promotion and performance evaluation processes to ensure that all employees enjoy equal opportunities for career development and advancement. We continuously optimize our performance management system to balance results and values. Through the formulation of the *Employee Performance Management Operating Guidelines*, the Company has put in place a regular and dynamic performance evaluation mechanism to comprehensively and objectively assess employee performance.

Performance Evaluation Mechanism

Regular evaluation	The Company conducts tiered and differentiated management in line with the annual employee code of conduct, using four approaches: a combination of team performance and individual performance, management by objectives, 360-degree multi-source feedback, and quarterly agile communication. Evaluations are conducted on a quarterly basis, with results directly linked to employees' annual bonuses, promotion pathways, and training plans, ensuring alignment between incentives and development.
Dynamic evaluation	The Company has established a dynamic, non-regular evaluation mechanism. Through timely communication and feedback, the Company helps employees clearly understand their job performance and adjust their work direction in a timely manner, ensuring that individual career development remains aligned with the Company's strategic objectives.

We have established a clear and well-structured employee career development system and formulated institutional documents such as the *Employee Promotion Management Regulations*. We have developed three parallel and interconnected talent advancement pathways—professional and technical personnel, administrative management, and skilled workers—supported by the "Double Y + 1" talent development mechanism, to ensure fairness, impartiality, and transparency in talent selection and appointment. Under the "Double Y" framework, the Company focuses on employees' vertical career development. With the core objective of building a craftsman-oriented workforce, the Company has defined clear vertical advancement pathways for professional and technical personnel and skilled workers, while also identifying multidisciplinary talents with both technical expertise and management potential and including them in the reserve talent pool for administrative management positions for focused development. The "+1" mechanism emphasizes horizontal development opportunities. We have formulated the *Talent Mobility and Deployment Management Regulations (Trial Implementation)* and, through internal recruitment and job rotation mechanisms, broken down professional and departmental boundaries. This provides professional and technical personnel, administrative staff, and skilled workers with cross-functional and cross-position development platforms, supporting diversified capability enhancement.

Professional and technical pathway	Positions primarily include professional and technical roles engaged in automotive R&D, planning and design, testing and prototyping, quality assurance, procurement management, logistics management, production management, sales management and sales support, strategy management, financial management, human resources, and administrative services.
Administrative management pathway	Positions focused on the administrative organization of the Company or its departments, responsible for formulating business strategies and objectives, and leading teams to achieve tasks and goals through planning, organizing, directing, coordinating, and controlling.
Skilled worker pathway	Positions primarily include operational, maintenance, inspection, and testing roles related to production and manufacturing activities.



In addition, the Company has established market-oriented incentive mechanisms to attract and retain excellent talent, while continuously expanding the coverage of its equity incentive programs to enhance employees' sense of belonging and long-term development motivation. In 2025, the Company formulated an employee equity incentive plan, covering 2,918 employees and encouraging employees to create long-term value.

Safeguarding Health and Safety

Chery Auto consistently places employees' occupational health and safety as its top priority. The Company has established a comprehensive occupational health and safety management structure and formulated the *Health, Safety, and Environment Policy Statement*, clearly defining safety management responsibilities at all levels to ensure the efficient operation and effective implementation of safety mechanisms. The Safety and Environmental Committee, as the highest responsible body for safety management, oversees the overall planning and guidance of production safety activities and supervises the implementation of various safety measures. The Company strictly complies with occupational health and safety management system standards and continuously enhances its occupational health and safety management system. We have successfully obtained and maintained ISO 45001 Occupational Health and Safety Management System certification for seven consecutive years. In addition, the Company sets clear safety management objectives and links their achievement to the performance-based incentives of senior management. The Company monitors progress toward these objectives through routine inspections as well as annual and monthly safety and environmental performance assessments.

Chery Auto's Safety and Environmental Protection Culture

Mission	Safe Chery, happy homes, green development
Policy	Safety, health, and environmental protection always come first
Vision	Zero harm, zero emissions

Risk Prevention and Control

The Company strictly complies with applicable laws and regulations in the countries and regions where it operates, including the *Law of the People's Republic of China on Work Safety*, the *Fire Protection Law of the People's Republic of China*, the *Labor Law of the People's Republic of China*, and the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*. The Company has established systems such as the *Safety Production Management System,* the *Equipment and Facility Safety Management Procedures*, and the *Emergency Preparedness and Response Control Procedures*, and continues to optimize a comprehensive safety and health risk prevention and control framework covering the entire production process.

To accurately identify and effectively manage production safety risks, we have established a safety and environmental supervision system that defines full-cycle management requirements for hazard identification, tracking, rectification, and acceptance, ensuring that potential risks are promptly identified and properly addressed. We have also introduced an online hazard inspection system to conduct routine hazard identification and standardized controls. Based on the severity of identified hazards, the Company implements a tiered and categorized management approach to maintain a safe and stable production environment and effectively reduce accident risks.

Identification and Control of Occupational Health and Safety Hazards

Hazard identification	The Company conducts comprehensive hazard identification by referencing the *Classification for Casualty Accidents of Enterprise Staff and Workers* (GB 6441) and the *Classification and Code for the Hazardous and Harmful Factors in Process* (GB/T 13861). Hazard identification covers all operating environments, equipment and facilities, production processes, hazardous substances, personnel, and work activities.
Risk assessment	The Company applies the Job Risk Analysis method based on the Likelihood–Exposure–Consequence–Danger (LECD) model to conduct both qualitative and quantitative assessments of risks associated with identified hazards and to evaluate their potential impacts.
Graded risk control	Based on assessment results, the Company classifies hazards into major, important, moderate, and general levels, and defines corresponding control standards for each level. General hazards are recorded by individual work teams in the *Team Safety Logbook* in a timely manner. Hazards classified as moderate or above are subject to regular management and maintenance, with risk warnings displayed in hazard areas through visual management tools such as notice boards, ensuring that responsible personnel at all levels carry out routine inspections and supervision.

Safety and Health Management

We continue to strengthen safety management and optimize safe operating procedures to ensure standardized and regulated execution across all production processes. At the same time, we actively advance intelligent safety management by introducing advanced protective technologies and upgrading safety equipment to create a safer and healthier working environment for employees.

Safety technology upgrades	The Company continuously promotes improvements in production processes, hazard substitution, and protective equipment to reduce safety risks at the source. We have established the "safety light curtains + laser scanners" dual-protection mechanism to accurately detect and promptly respond to unauthorized entry into hazardous areas. We have introduced AI-based visual safety monitoring technologies to build a three-dimensional protection system, effectively preventing mechanical injury accidents. In 2025, we developed seven AI visual protection solutions for high-risk production areas, enabling real-time alerts and dynamic risk control.
Full-cycle health management	For employees exposed to occupational hazards such as dust, noise, and chemical toxins, the Company strictly complies with the *Technical Specifications for Occupational Health Surveillance*. The Company establishes comprehensive health records and fully implements pre-employment, on-the-job, and post-employment medical examinations, effectively safeguarding employees' occupational health and safety.
Extended safety management	Chery Auto signs *Safety and Environmental Protection Management Agreement* with suppliers, contractors, and other partners to clearly define the safety responsibilities and obligations of both parties. The Company fully informs partners of potential hazards involved in cooperation and its safety management requirements, and strengthens safety training and on-site supervision of third-party personnel to ensure that third-party operations comply with the Company's safety management standards.

We also place strong emphasis on safeguarding employees' physical and mental health. Centered on employees' health needs, the Company carries out diversified health service initiatives and supports them with dedicated health service facilities and professional medical equipment to comprehensively protect employee well-being. In addition, we organize annual health examinations for all employees and provide scientific health prevention recommendations in response to potential health risks.

Chery health project promotes health knowledge

Chery Auto delivers systematic and multi-dimensional health education through the "Rui Health" expert lecture series and weekly online health-sharing sessions. In "Understanding Your Heart" mental health section, common mental health issues are interpreted through case studies.

"Blue ribbon" safeguards life safety

Chery Auto conducts "Blue Ribbon" emergency rescue training programs to provide employees with emergency response knowledge and rescue skills, ensuring that lifesaving capabilities are readily available and that lives are protected.

Health corner extends health services

Chery Auto has established employee health corners and continues to upgrade their facilities, including blood pressure monitors, thermometers, and body composition scales, to expand health monitoring services.

Walking initiative advocates healthy living

We have been continuously organizing walking initiatives for many years and encourage employee participation, promoting healthy lifestyles and stimulating enthusiasm for physical activity.

Medical stations enhance health protection

The Company collaborates with local health authorities to establish on-site medical stations within its plants, bringing medical services within "one kilometer" of employees, shortening emergency response times, and improving the efficiency of medical treatment.

Mind care station cares for employees' mental health

Chery Auto expands both online and offline mind hubs and implements employee assistance programs (EAP) and regular mental counseling services to effectively relieve employees' mental stress and enhance their mental health resilience.

Cultural Development

The Company actively fosters a safety culture by deeply integrating safety principles into production, operations, and employees' daily work. Through multi-level safety skills training and diversified occupational health engagement activities, the Company comprehensively enhances employees' safety awareness, operational skills, and health protection capabilities.

In 2025

We conducted over **3,300** safety and environmental protection training sessions, with a cumulative attendance exceeding **200** thousand person-times

Training enhancement

Chery Auto has established a multi-tiered safety education and training system covering all employees, delivering targeted training tailored to different positions and levels. The Company provides dedicated safety induction training for new employees to help them quickly master job-related safety knowledge and operating standards. We also conduct specialized safety management training for management personnel to strengthen their safety leadership capabilities. We regularly organize training on fire safety, occupational health, and other key topics to reinforce employees' specialized safety skills.

Awareness promotion

Chery Auto regularly carries out Safety Production Month activities, including safety knowledge competitions, case studies, and hands-on safety skills exercises, to reinforce employees' safety awareness. The Company organizes immersive safety experience activities to allow employees to personally experience the consequences of unsafe operations, thereby strengthening their awareness of safety prevention and health protection. We also conduct regular emergency response and fire drills to enhance employees' ability to handle unexpected safety incidents.

Case

Publicity Week of *Law on Prevention and Control of Occupational Diseases*

In response to the 23rd national publicity week for *Law on Prevention and Control of Occupational Diseases*, the Company organized the corresponding Publicity Week and Health Promotion Month activities from April 25 to May 25, 2025. These activities promoted both occupational disease prevention and employee physical and mental health, effectively strengthening employees' occupational protection awareness and health management capabilities.

Occupational disease prevention: Chery Auto implemented 101 measures, including intrinsic improvement initiatives, special inspections of protective facilities, and regulatory awareness campaigns, to reduce occupational health risks at the source.

Physical and mental well-being: The Company organized 98 health promotion activities, including fitness programs, healthy habit development initiatives, and Baduanjin exercises. We also invited the Red Cross, as well as local medical and health institutions, to deliver 23 lectures on physical and mental health.

Fostering a Positive Workplace

Chery Auto upholds a people-oriented philosophy and is committed to building a diverse and inclusive workplace. The Company continuously strengthens its employee care system to ensure that every Chery employee can experience a sense of happiness at work and join the Company in creating a better future together.

Diversity and Equality

Chery Auto practices the principles of diversity and equality and actively fosters an inclusive and symbiotic corporate culture. The Company creates a fair and supportive workplace for employees from different cultural backgrounds, regions, and generations, enabling every employee to realize personal value and growth in an inclusive environment. During the reporting period, we delivered an specialized training program titled *Building an Inclusive Workplace: DEI Practices* for all employees of the Human Resources Department, translating the principles of diversity, equity, and inclusion into concrete talent management actions.

Cross-cultural understanding

Chery Auto respects individual differences and diverse backgrounds and integrates cross-cultural understanding into its employee development system. Through cross-cultural exchange salons and localized care initiatives for overseas employees, the Company helps employees gain deeper insights into different cultures and enhances cross-regional team collaboration.

Multi-generational workforce

For new employees, the Company has established a comprehensive onboarding and development system to help them quickly familiarize themselves with work processes and integrate into the workplace. To support employees in adapting smoothly to retirement, the Company regularly organizes discussion sessions, follow-up visits, and care activities, attentively listening to retirees' feedback and effectively easing their concerns during the transition period.

Support for employees with disabilities

Chery Auto is committed to creating an accessible workplace for employees with disabilities by providing necessary accessible facilities and technical support, optimizing job accommodation plans, and safeguarding their lawful right to equal participation in work.

Development of female employees

Chery Auto actively supports female employees' participation in high-tech projects, scientific research initiatives, and various innovation activities, giving full play to their unique strengths in technology development, project management, and teamwork.

Employee Care

The Company promotes a positive and healthy work–life balance through the "Happy Chery" system, guided by four dimensions of well-being: spiritual, material, workplace, and life. We have established an employee care system covering livelihood security, physical and mental health, and family support to enhance overall employee happiness.

Employee Care System

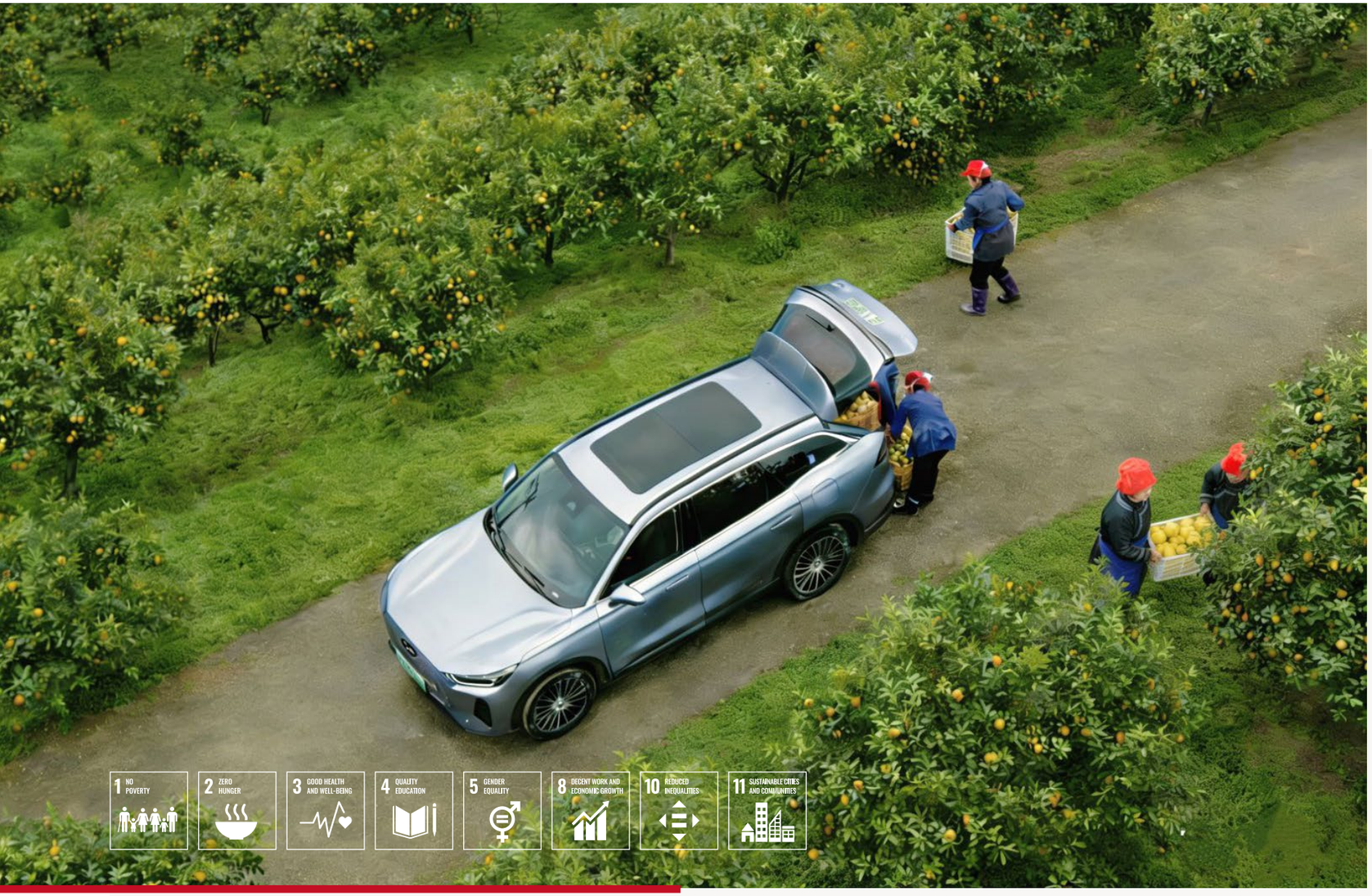
Spiritual, Material, Workplace, and Life Well-Being	
Livelihood security	• Focusing on employees' core needs for food, housing, and transportation, the Company improves dining facilities, dormitory environments, and commuting shuttle services. • The Company provides a range of benefits, including inclusive services, accommodation arrangements, vehicle purchase discounts, and housing support, to enhance employees' quality of life.
Physical and mental health	• The Company has also launched a hospitalization medical subsidy platform to reduce employees' medical expenses. • Through the "Mind Hub" platform, all employees have access to free mental assessments, meditation courses, and mental health lectures to help relieve work-related stress.
Family support	• Chery Auto offers education benefits and childcare services for employees' children. • Provide paid parental leave for employees in primary and secondary childcare stages. • In 2025, the Company introduced supplementary medical insurance for employees' children, further easing pressures related to children's education and healthcare.
Female care	• Chery Auto has established dedicated protection programs for female employees. The Company provides nursing rooms in office areas, prenatal appointment support, flexible working arrangements, and other benefits during pregnancy, lactation, and maternity periods.
Employee awards	• Chery Auto has introduced service awards recognizing 10, 15, 20, and 25 years of service to honor employees' long-term dedication. • In 2025, the Company further upgraded the service award program by leveraging a digital gift-selection platform to offer diversified and personalized rewards, shorten distribution cycles, and enhance the employee recognition experience.
Special funds	• Chery Auto continues to operate its mutual assistance fund, providing timely financial support and humanistic care to employees facing major illnesses, unexpected accidents, or other difficulties, helping employees and their families overcome challenging periods. • In 2025, the fund supported a total of 14 employees.

The Company organizes a wide range of employee activities to foster a positive and uplifting corporate culture, effectively enhancing employees' sense of well-being and belonging. We have built cultural and sports centers in dormitory areas and established nine cultural and sports associations, including football, basketball, and calligraphy and painting associations, to promote healthy and positive lifestyles. In 2025, the Company organized multiple sports events, such as table tennis and basketball leagues, attracting more than 2,000 sports enthusiasts to participate. At the same time, we carried out various employee engagement activities, including the Party Member Service Carnival, Family Open Day, and employee cultural performances, actively fostering a harmonious, supportive, and positive corporate culture.

Case

The 3rd "Building Dreams Together with Children" Outstanding Employee Family Open Day

From July to August 2025, Chery Auto organized the 3rd "Building Dreams Together with Children" Outstanding Employee Family Open Day. A total of 60 outstanding employee families from across the country were invited to visit the Wuhu Headquarters, and more than 50 outstanding employee families in Wuhu were organized to tour the Fuzhou and Qingdao bases. These activities enabled employees' families to experience the company's development achievements in an immersive way, and enhanced their understanding and support for their family members' work.



Promoting a Positive and Mutually Beneficial Impact

Chery Auto actively participates in the development of global industrial ecosystems and social and economic progress. We recognize the close connection between business and community, and embrace our responsibilities as a global corporate citizen. By mobilizing social resources and goodwill, the Company consistently invests in local development, public welfare, children's growth, and rural revitalization initiatives. Through concrete actions, we expand the positive impact on communities where we operate and jointly work toward a sustainable and prosperous future.

Material Topics

- Social welfare and community

2025 Key Performance Indicators

- Public welfare and charitable contributions amounted to RMB 43.2596 million, while investment in rural revitalisation programme totaled RMB 2.6790 million
- The number of registered volunteers reached 2,857, contributing a cumulative total of 2,514.80 volunteer service hours
- Renewed global cooperation with UNICEF, committing a further USD 6 million to advance global education
- Held the 3rd "Ride Green Life" Charity cycling event, promoting green lifestyle and sustainable concepts to the public

Advancing Community Collective Well-being

In the course of global operations, adhering to the principle of mutual benefit and co-existence, the Company exerts the power for good of business and practices high-quality social welfare and charitable initiatives, giving back to society with sincerity. We have long been at the forefront of emergency response and relief efforts. In the face of natural disasters and public safety incidents, we work closely with local governments and rescue organizations to actively participate in emergency rescue, livelihood protection, and post-disaster reconstruction, providing a protective force for the well-being of local communities where we operate. At the same time, we mobilize our internal volunteer force to extend warmth and hope to more people in need, demonstrating the power for good of business.

As of the end of the reporting period

the number of registered volunteers in the Company had reached **2,857**,

with a cumulative service duration of **2,514.8** hours.

In June 2025

During the major floods in Rongjiang County, Guizhou Province, Chery Auto launched emergency relief efforts, established a special protection fund of RMB 100 million, and introduced exclusive car purchase policies for affected car owners along with free vehicle inspection services for public welfare.

In November 2025

We donated HKD 10 million to support emergency relief and post-disaster recovery following the fire in Tai Po, Hong Kong.

In December 2025

In December 2025, the Company donated THB 1 million to the Thai Red Cross to support rescue and reconstruction efforts after the floods in southern Thailand.

Case

Public Welfare Blood Donation Activity of iCAR Brand

In October 2025, the iCAR brand held its annual blood donation activity, embodying the spirit of caring for life and giving back to society. This activity received enthusiastic participation from employees and the public. This event attracted 357 registered participants, with 189 individuals successfully donating blood, contributing a total of 51,500 milliliters of blood. Since 2021, the iCAR brand has carried out this event for five consecutive years, passing on warmth and care through tangible actions.

The Company actively explores sustainable development paths for shared community benefits, fostering a co-existence model with users, society, and nature. Through diverse green initiatives, the Company builds open and interactive platforms, promoting environment-friendly lifestyles and sustainability awareness to the wider public. We collaborate with users, community partners, and stakeholders to advance a future where technology, humanity, and nature thrive together.

Case

Charity Cycling Event: Uniting Global Efforts for a Sustainable Future

On October 20, 2025, Chery Auto launched the 3rd "Ride Green Life" charity cycling and green carnival event along the Yangtze River in Wuhu. With the theme "Co-Create, Co-Define", nearly 3,000 cycling enthusiasts from around the world participated. Over three years, this charity ride has evolved from a corporate social responsibility initiative into a global green culture brand, continuously promoting environmental awareness worldwide. This event continued the "green cycling + public welfare communication" model, deepened cooperation with the International Union for Conservation of Nature (IUCN), and integrated the charity ride into the global ecosystem protection framework, attracting more partners to safeguard our planet.

Supporting Children's Growth

Chery Auto has always believed that education is a core force empowering the future. The Company is committed to leveraging its strengths to help break geographical and resource constraints and advance the cause of equitable education. Through a diverse range of programs including child health care, educational support, and the improvement of rural school facilities, the Company safeguards the physical and mental health of young people, while continuously building high-quality learning and growth platforms for youth worldwide, helping every young person realize their dreams.

Case

iCAR Brand's "Lighting Up Small Wishes, Celebrating the New Year Together" Public Welfare Campaign

In January 2025, to bring warmth and New Year joy to children in need, the iCAR brand launched the public welfare campaign themed "Lighting Up Small Wishes, Celebrating the New Year Together". This campaign collected 25 "small wishes" from disadvantaged children and fulfilled them through concrete actions, delivering kindness and hope to their hearts.

Case

Donation to Malaysia's National Sports Trust Fund (KWASN) to Support Youth Sports Development

On July 9, 2025, at the launch event of the new TIGGO CROSS in Kuala Lumpur, Malaysia, Chery Auto announced a donation of MYR 50,000 to the National Sports Trust Fund (KWASN). The Company also committed to continuously contributing a portion of the sales revenue from each TIGGO CROSS sold to the fund. By supporting sports programs and youth development, Chery Auto fulfills its social responsibility to the growth of Malaysian youth and provides support for young people to realize their potential through sports.

Case

United with Care, Sailing with Love

In January 2025, Chery Auto launched a public welfare partnership with MAGIA to support local children with cancer, ensuring no child loses access to treatment due to resource shortages. Chery Auto pledged to donate a portion of the proceeds from every vehicle sold to cover medical expenses for children and upgrade facilities at the shelter. In addition, a brand-new Tiggo 7 Pro was donated to provide dedicated transportation support for children seeking medical treatment. Through these ongoing efforts, we delivers care and brings hope and strength to more lives.

Case

From South Africa to the World: Launch of the "Powering Tomorrow through Education" Initiative

On August 21, 2025, at the "Champion for Education in Africa" event held in Johannesburg, South Africa, Chery Auto officially launched the "Powering Tomorrow Through Education" initiative and announced the establishment of the Chery Education Fund. With an initial investment of ZAR 3 million, the fund partners with the South African Department of Basic Education and other key stakeholders, focusing on basic education and early childhood development. Through upgrading early education facilities, training teachers, and providing age-appropriate educational resources, the initiative aims to improve local education quality and promote educational equity and inclusion.

Case

Chery Auto Renewed Global Partnership with UNICEF, Committing an Additional USD 6 Million to Advance Global Education

On October 20, 2025, Chery Auto and the United Nations Children's Fund (UNICEF) jointly announced the renewal of their global education partnership, launching a new three-year strategic collaboration dedicated to providing quality education opportunities for children worldwide, especially the most vulnerable and marginalized groups. Following a USD 6 million donation during the 2023–2025 cooperation period, Chery Auto pledged an additional USD 6 million over the next three years to continue supporting UNICEF's global education programs, including initiatives in six key countries: China, Mexico, South Africa, Türkiye, Indonesia, and Vietnam. Since the beginning of the partnership, Chery Auto has provided significant support for UNICEF's education programs worldwide.

Chery Auto has helped UNICEF deliver quality education opportunities to nearly 40 million adolescents, including 17 million affected by emergency situations. Building on the strong results achieved and the persistent global demand for education, both parties have agreed to extend the partnership through 2028, continuing their joint efforts to empower the next generation through education.

Empowering Rural Revitalization

Chery Auto's business operations and product services extend across a wide range of urban and rural areas nationwide. The Company pays close attention to rural development. In response to the national rural revitalization strategy, it integrates its resources and strengths, focuses on key areas such as agricultural industry development, educational support, and cultural revitalization, and supports rural progress through the implementation of diversified public welfare programs. In 2025, the Company invested a total of RMB 2.679 million in dedicated rural revitalization funds, promoting simultaneous improvements in the quality of life and education levels of rural residents.

Case

"Together, We Safeguard": Chery Auto–Rongjiang Public Welfare Strategy Enters a New 2.0 Phase

On July 26, 2025, Chery Auto joined hands with the People's Government of Rongjiang County, Guizhou Province, and the Guizhou "Village Super League" Organizing Committee to launch the "Together, We Safeguard" series of initiatives. This marked the entry of our public welfare strategic cooperation into a new 2.0 phase, providing in-depth and multifaceted support for rural revitalization in Rongjiang. In the areas of rural sports and educational empowerment, Chery Auto sponsored eight local teams, renovated football fields at eight schools, and donated sports equipment. In addition, Chery Auto partnered with caring media to establish 11 AED health protection stations and organized first-aid training programs, effectively enhancing health and safety awareness and emergency response capabilities among rural communities.

Performance Indicators[1]

Indicator	Unit	2025
Environmental management		
Number of vehicle production bases in China	number	8
Coverage ratio of the Company's environmental management system (EMS) that has passed certification/audit/verification (including third-party and internal audits)	%	100% coverage of vehicle production bases in China
Number of vehicle production bases in China certified to ISO 14001	number	8
Number of vehicle production bases in China certified to ISO 50001	number	6
National-level "green factories"	number	5
Penalties for environmental or ecological violations in the past four fiscal years	time	0
Penalties and related liabilities for environmental or ecological violations in the past four fiscal years	RMB	0
Penalties for environmental violations	case	0
Major environmental complaints	case	0
Environmental pollution incidents	case	0
Climate change addressing		
Greenhouse gas emissions[2]		
Total Scope 1 emissions [2]	tCO_2e	233,320.97
Total Scope 2 emissions (location-based) [3]	tCO_2e	682,602.16
Total Scope 2 emissions (market-based) [3]	tCO_2e	466,411.01

Indicator	Unit	2025
Total Scope 3 emissions [4]	tCO_2e	96,264,299.03
Category 1: Purchased goods and services	tCO_2e	21,873,593.21
Category 3: Fuel- and energy-related activities (not included in Scope 1 or 2)	tCO_2e	66,537.75
Category 6: Business travel	tCO_2e	42,112.70
Category 7: Employee commuting	tCO_2e	33,701.41
Category 9: Downstream transportation and distribution	tCO_2e	707,266.04
Category 11: Use of sold products	tCO_2e	73,541,087.92
Clean energy development		
Installed PV capacity	MW	281.92
Self-consumed PV electricity	MWh	203,219.10
Zero-Carbon Industrial Park Demonstration Projects in Anhui Province	number	3
Smart microgrid project	number	1
Energy storage system capacity	MWh	81.66
Low-carbon products		
Total global passenger vehicle sales	10,000 vehicles	263.14
Sales of fuel passenger vehicles	10,000 vehicles	180.49
Sales of battery electric passenger vehicles	10,000 vehicles	27.41
Sales of plug-in hybrid electric passenger vehicles	10,000 vehicles	48.16

Indicator	Unit	2025
Sales of extended-range passenger vehicles	10,000 vehicles	7.08
Number of in-sale models with carbon footprint accounting	Models	52
Coverage rate of carbon footprint accounting for in-sale models	%	100
New NEV models launched in the year	Models	8
Annual sales of new energy passenger vehicles	10,000 vehicles	82.65
Proportion of new energy passenger vehicle sales to total sales	%	31.41
Average fuel economy of vehicles (China)	L/100 km	4.86
Average energy consumption of pure electric vehicles (China - CLTC)	kWh/100 km	13.51
Average energy consumption of pure electric vehicles (EU - WLTP)	kWh/100 km	16.09
Energy management and efficient utilization		
Total energy consumption	MWh	2,046,379.06
Total non-renewable energy consumption	MWh	1,538,023.92
Total renewable energy consumption	MWh	508,355.13
Energy consumption intensity	MWh/million RMB revenue	6.81
Direct energy consumption[5]		
Direct energy consumption	MWh	725,791.45
Gasoline usage	litre	12,187,782.44
Diesel usage	litre	46,479.10
Natural gas usage	standard cubic meter	57,146,262.71

Indicator	Unit	2025
Direct energy consumption intensity	MWh/million RMB revenue	2.42
Indirect energy consumption[5]		
ndirect energy consumption	MWh	1,320,587.61
Electricity consumption	MWh	1,186,103.04
Purchased green power	MWh	305,136.04
Proportion of green power in total electricity consumption[6]	%	42.86
Proportion of green power in total electricity consumption for vehicle production bases	%	52.77
Heat consumption	MWh	134,484.57
Indirect energy consumption intensity	MWh/million RMB revenue	4.40
Water resource management		
Total water withdrawal in all areas	tonnes	8,729,543.55
Produced water withdrawal	tonnes	74,735.00
Third-party water withdrawal	tonnes	8,654,808.55
Total water consumption in all areas	tonnes	5,652,358.31
Water consumption intensity	tonnes /vehicle	2.15
Total net water consumption	tonnes	5,652,358.31
Factory recycling water usage	tonnes	194,668,853
Pollution prevention and emission management[7]		
Investment in environmental pollution control	million RMB	121.45

Indicator	Unit	2025
Factories with "Grade A" heavy pollution emergency response ratings	number	5
Factories with "Grade B" heavy pollution emergency response ratings	number	3
Wastewater management		
Total water discharge in all areas[8]	tonnes	3,077,185.24
Total discharge to third-party organizations	tonnes	3,077,185.24
Total wastewater discharge	tonnes	3,077,185.24
Total industrial wastewater discharge	tonnes	2,197,963.10
Industrial wastewater discharge intensity	tonnes/vehicle	0.84
Total domestic sewage discharge	tonnes	879,222.14
Domestic sewage discharge intensity	tonnes/vehicle	0.33
Chemical oxygen demand (COD) discharge	tonnes	242.28
Chemical oxygen demand (COD) discharge intensity	kg/vehicle	0.09
Ammonia nitrogen discharge	tonnes	17.54
Ammonia nitrogen discharge intensity	kg/vehicle	0.01
Exhaust gas management		
Nitrogen oxides (NOx) discharge	tonnes	273.47
Nitrogen oxides (NOx) discharge intensity	kg/vehicle	0.10
Sulfur dioxide (SO2) discharge	tonnes	136.22
Sulfur dioxide (SO2) discharge intensity	kg/vehicle	0.05

Indicator	Unit	2025
Volatile organic compounds (VOCs) discharge	tonnes	253.42
Volatile organic compounds (VOCs) discharge intensity	kg/vehicle	0.10
Particulate matter (PM) discharge	tonnes	347.69
Particulate matter (PM) discharge intensity	kg/vehicle	0.13
Waste management		
Total waste generated	tonnes	264,204.94
Hazardous waste generated	tonnes	20,796.32
Hazardous waste generation intensity	kg/vehicle	7.90
Non-hazardous waste generated	tonnes	243,408.61
Non-hazardous waste generation intensity	kg/vehicle	92.50
Total waste disposed	tonnes	16,295.62
Waste disposal data coverage	%	100
Circular economy		
Waste recycling and utilization		
Total waste recycling and utilization	tonnes	247,909.32
Utilization or disposal rate of solid waste (hazardous waste) by qualified third-party organizations	%	100
Raw materials for production		
Total raw material consumption	tonnes	4,369,721.29
Steel consumption	tonnes	2,337,297.12

Indicator	Unit	2025
Aluminum consumption	tonnes	550,176.65
Copper consumption	tonnes	81,315.38
Nickel consumption	tonnes	506.09
Titanium consumption	tonnes	146.32
Plastic consumption	tonnes	848,739.09
Paint consumption	tonnes	76,187.84
Other consumption	tonnes	475,352.80
Packaging material management[9]		
Packaging material consumption	tonnes	73,210.85
Metal	tonnes	29,668.33
Paper	tonnes	14,830.14
Plastic	tonnes	13,120.78
Other	tonnes	15,591.61
Renewable packaging material consumption	tonnes	61,586.97
Proportion of renewable packaging materials	%	84.12
Packaging material usage intensity	kg/vehicle	27.82
Global corporate governance		
Generated and distributed economic value		
Total annual revenue	million RMB	300,286.75

Indicator	Unit	2025
Annual net profit	million RMB	19,507.52
Board effectiveness and diversity		
Total number of Board members	person	15
Number of executive directors	person	2
Number of non-executive directors	person	13
Number of independent directors	person	6
Number of non-independent directors	person	9
Number of male directors	person	13
Number of female directors	person	2
Number of Board meetings held this year	time	10
Proposals reviewed at the Board meetings	item	53
Board meeting attendance rate	%	100
Average attendance rate of Board members	%	100
Risk management and compliance		
Total number of major violations during the reporting period	time	0
Number of cases involving fines due to major violations during the reporting period	time	0
Number of cases involving non-economic penalties due to major violations during the reporting period	time	0
Amount of fines for violations occurring during the current reporting period	RMB 10,000	0

Indicator	Unit	2025
Business ethics		
Number of business ethics training sessions held	session	715
Total duration of business ethics training	hour	147,285
Proportion of governance body members receiving anti-corruption training	%	100
Proportion of employees receiving anti-corruption training	%	100
Proportion of suppliers to whom anti-corruption policies have been communicated	%	100
Number of corruption lawsuits filed against the Company or its employees that have been concluded	case	0
Technological innovation and leadership		
Annual R&D investment	million RMB	14,715
Number of R&D personnel (in China)	person	20,366
Proportion of R&D personnel among non-production staff (in China)	%	54
Patents applied for in the year	case	6,250
Invention patents granted in the year	case	1,219
Utility model patents granted in the year	case	471
Design patents granted in the year	case	1,762
Software copyrights granted in the year	case	102
Patents granted in the year	case	3,452
Cumulative patents granted	case	23,074

Indicator	Unit	2025
Product quality and mobility safety		
Employee product quality management/product safety training coverage percentage	%	100
Total hours of quality training received by employees	hour	97,029.80
Annual meeting of the Chairman's Quality Promotion Committee	time	9
Number of production and operation entities certified under recognized product safety and quality standards/management systems (e.g., HACCP, ISO 9001, or equivalent)	number	16
Number of production and operation entities following internally established product safety and quality standards/management system certifications	number	16
Percentage of products recalled due to safety and health issues among sold products	%	0
Global user engagement and stewardship		
User relations		
Number of customer complaints	case	77,295
Number of domestic customer complaints	case	47,544
Number of overseas customer complaints	case	29,751
Customer satisfaction survey coverage rate	%	100
Domestic customer coverage rate	%	100
Overseas customer coverage rate	%	100
Responsible marketing		
Number of dealers	number	6,955
Number of dealer training sessions held	session	4,147

Indicator	Unit	2025
Number of dealers participating in training	number	6,863
Proportion of dealers participating in training	%	99.70
Total duration of dealer training	hour	2,431,549
Information security and data privacy		
Information security		
Information and cybersecurity incidents	case	0
Practical offensive and defensive drills	time	3
Information security emergency response drill	time	1
Information security awareness assessment for all employees	time	1
Information security phishing drill	time	1
Number of participants in information security training	person-time	60,000+
Data privacy		
Substantiated complaints concerning breaches of customer privacy or losses of customer data	case	0
Users affected by Company data leak	person	0
Information security and privacy protection compliance training coverage rate	%	100
Responsible supply chain		
Supplier management		
Number of suppliers	number	1,518
Number of suppliers in China	number	1,329

Indicator	Unit	2025
Suppliers in East China	number	921
Suppliers in South China	number	81
Suppliers in North China	number	106
Suppliers in Central China	number	101
Suppliers in other regions	number	120
Number of suppliers outside China	number	189
Core suppliers	number	253
Proportion of core suppliers	%	16.67
Preferred suppliers	number	281
Proportion of preferred suppliers	%	18.51
General suppliers	number	795
Proportion of general suppliers	%	52.37
Number of tier-1 suppliers	number	1,518
Number of key suppliers among tier-1 suppliers	number	534
Proportion of total procurement expenditure from key suppliers among tier-1 suppliers	%	60
Number of key suppliers among non-tier-1 suppliers	number	0
Number of key suppliers (tier 1 and non-tier 1)	number	534
National-level "Green Supply Chain Management Enterprise"	number	1
Proportion of tier-1 suppliers certified to ISO 14001	%	88

Indicator	Unit	2025
Proportion of tier-1 suppliers certified to IATF 16949	%	88
Signing rate of tier-1 suppliers for the *Supplier Code of Conduct*	%	100
Supplier risk control		
Number of suppliers who passed ESG desktop assessments/on-site audits	number	690
Percentage of assessed key suppliers	%	61
Number of suppliers identified as having significant actual or potential negative impacts	number	3
Percentage of suppliers with significant actual or potential negative impacts who have agreed to corrective actions or improvement plans	%	0
Number of suppliers with significant actual or potential negative impacts whose contracts were terminated	number	3
Conflict minerals due diligence – number of suppliers completing CMRT reporting	number	606
Conflict minerals due diligence for the next year – target number of suppliers completing CMRT reporting	number	650
Supplier capacity building		
Number of suppliers supported by corrective action plans	number	12
Percentage of suppliers identified as having significant actual or potential negative impacts supported by corrective action plans	%	0
Number of suppliers participating in capacity-building programs	number	1,085
Percentage of key suppliers participating in capacity-building programs	%	100
Duration of supplier trainin	hour	4,483
Number of suppliers participating in quality training	number	1,085
Scope of supplier quality training	%	100
Frequency of supplier quality training	number	8
Employee rights		
Labor contract signing rate	%	100
Social insurance coverage rate	%	100
Percentage of employees covered by independent unions or collective bargaining agreements	%	100
Coverage rate of employee well-being survey data	%	100
Total number of employees benefiting from equity incentive plans (in China)	person	2,918
Number of female employees taking parental leave (in China)	person	416
Number of male employees taking parental leave (in China)	person	1,189
Number of female employees returning to work after parental leave (in China)	person	416
Number of male employees returning to work after parental leave (in China)	person	1,189
Diversity and equality		
Employee information		
Total number of employees globally	person	70,103
Percentage of employees covered by race/ethnicity, nationality, and gender monitoring indicators (in China)	%	100
Employee distribution by region (global)		
Number of employees in China	person	67,910
Percentage of employees in China	%	96.87

Indicator	Unit	2025
Number of employees outside China	person	2,193
Percentage of employees outside China	%	3.13
Employee distribution by gender (global)		
Number of female employees	person	12,447
Percentage of female employees	%	17.76
Number of male employees	person	57,656
Percentage of male employees	%	82.24
Employee distribution by employment type (global)		
Number of full-time employees	person	70,103
Percentage of full-time employees	%	100
Number of part-time employees	person	0
Percentage of part-time employees	%	0
Employee distribution by age (in China)		
Number of employees under 30	person	30,302
Percentage of employees under 30	%	44.62
Number of employees aged 30-50	person	36,663
Percentage of employees aged 30-50	%	53.99
Number of employees aged over 50	person	945
Percentage of employees aged over 50	%	1.39

Indicator	Unit	2025
Employee distribution by ethnicity (in China)		
Number of Han ethnicity employees	person	64,672
Percentage of Han ethnicity employees	%	95.23
Number of ethnic minority employees	person	3,238
Percentage of ethnic minority employees	%	4.77
Employees holding management positions [10]		
Composition of senior management by gender (global)		
Number of male senior managers	person	53
Percentage of male senior managers	%	91.38
Number of female senior managers	person	5
Percentage of female senior managers	%	8.62
Composition of senior management by ethnicity (in China)		
Number of Han ethnicity senior managers	person	40
Percentage of Han ethnicity senior managers	%	97.56
Number of ethnic minority senior managers	person	1
Percentage of ethnic minority senior managers	%	2.44
Composition of middle management by gender (global)		
Number of male middle managers	person	550
Number of male middle managers	%	87.44
Number of female middle managers	person	79

Indicator	Unit	2025
Percentage of female middle managers	%	12.56
Composition of middle management by ethnicity (in China)		
Number of Han ethnicity middle managers	person	534
Percentage of Han ethnicity middle managers	%	97.98
Number of ethnic minority middle managers	person	11
Percentage of ethnic minority middle managers	%	2.02
Composition of employees in revenue-generating roles (in China)		
Number of employees in the sales department	person	6,191
Number of female employees in the sales department	person	1,630
Number of male employees in the sales department	person	4,561
Percentage of female employees in the sales department	%	26
Composition of employees in STEM-related positions (in China)		
Number of employees in STEM-related positions	person	37,501
Number of female employees in STEM-related positions	person	9,393
Number of male employees in STEM-related positions	person	28,108
Percentage of female employees in STEM-related positions	%	25
New employees (in China)		
Total number of new employees	person	25,904
Number of recent graduates hired	person	5,116
Number of persons with disabilities employed	person	1,043
Number of new hires by gender (in China)		
Female employees	person	4,492
Male employees	person	21,412
Number of new hires by age (in China)		
Under 30	person	14,682
30-50	person	11,198
Over 50	person	24
Number of new hires by nationality (in China)		
Chinese employees (including Chinese Mainland, Hong Kong, Macao, and Taiwan regions)	person	25,879
Foreign employees	person	25
Employee turnover		
Total employee turnover (global)	person	16,869
Total employee turnover rate (global)	%	19.40
Employee turnover by gender (global)		
Female employee turnover rate	person	1,899
Female employee turnover rate	%	13.24
Male employee turnover	person	14,970
Male employee turnover rate	%	20.61
Employee turnover by region (global)		
Employee turnover in China	person	16,352
Employee turnover rate in China	%	19.41
Employee turnover outside China	person	517
Employee turnover rate outside China	%	19.08

Indicator	Unit	2025
Employee turnover by age (in China)		
Turnover of employees under 30	person	8,745
Turnover rate of employees under 30	%	22.40
Turnover of employees aged 30-50	person	7,552
Turnover rate of employees aged 30-50	%	17.08
Turnover of employees aged over 50	person	55
Turnover rate of employees aged over 50	%	5.50
Employee development and training (in China)		
Total training expenditure	million RMB	32.27
Number of training courses offered	course	48,717
Percentage of employees receiving regular performance and career development reviews	%	100
Employee training (in China)		
Percentage of employees trained by gender (in China)		
Female employees	%	18.49
Male employees	%	81.51
Percentage of employees trained by job level (in China)		
Senior management	%	0.07
Middle management	%	3.05
General employees	%	96.87
Employee training hours (in China)		
Total employee training hours	hour	3,795,980
Average employee training hours	hour/person	55.90
Employee training hours by gender (in China)		
Total training hours for female employees	hour	731,640
Average training hours for female employees	hour	61.80
Total training hours for male employees	hour	3,064,340
Average training hours for male employees	hour	54.65
Employee training hours by job level (in China)		
Total training hours for senior management	hour	5,237
Average training hours for senior management	hour	127.73
Total training hours for middle management	hour	103,832
Average training hours for middle management	hour	190.52
Total training hours for general employees	hour	3,686,911
Average training hours for general employees	hour	54.76
Occupational health and safety		
Percentage of vehicle production bases in China certified to ISO 45001	%	100
Number of employee fatalities due to work-related injuries[11]	person	1
Rate of employee fatalities due to work-related injuries per million working hours[12]	time/million working hours	0.01
Lost days due to work-related injuries	days	1,655
Total recordable work-related injuries among full-time employees	incident	17
Annual number of people injured in production safety accidents	person	18
Recordable work-related injury rate per million working hours [13]	time/million working hours	0.12

Indicator	Unit	2025
Lost time injury frequency data coverage	%	100
Contractor fatalities	person	0
Company-wide fire risk identification activities	round	4
Company-wide fire hazard rectification rate	%	100
Coverage of 30-second fire emergency drills for production teams	%	100
Fire emergency drill compliance rate	%	100
Number of occupational disease cases	case	0
Occupational health and safety training coverage rate	%	100
Total number of participants in occupational health and safety training	person-time	305,291
Social welfare and community		
Total investment in social welfare and charitable activities	RMB 10,000	4,325.96
Dedicated investment in rural revitalization	RMB 10,000	267.90
Number of registered volunteers	person	2,857
Total volunteer service hours	hour	2,514.80

Notes:

1.Unless otherwise stated, the scope of the performance indicators in this report is consistent with the annual report, and includes Chery Automobile Co., Ltd. and its subsidiaries. The financial data is also consistent with the annual report. In the event of any minor discrepancies, the data in the annual report shall prevail. The disclosed scope of vehicle production bases in China is consistent with that stated in the annual report. The data discrepancies are due to the different internal management statistical standards.

2.Scope 1 greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. They include direct emissions from sources owned or controlled by the Company. The calculation factors are derived from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the IPCC Sixth Assessment Report (2023).

3.Scope 2 greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, covering indirect emissions from purchased electricity, heat and other energy sources consumed by the Company. The emission factor for electricity is sourced from the 2023 Electricity CO_2 Emission Factors issued by the Ministry of Ecology and Environment and the National Bureau of Statistics, while the emission factor for heat is sourced from the Guidelines for the Accounting and Reporting of Greenhouse Gas Emissions for Machinery Manufacturing Enterprises (for Trial Implementation).

4.Scope 3 greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. They cover purchased goods and services, business travel, employee commuting, and fuel and energy-related activities not included in Scope 1 and Scope 2. The calculation factors are derived from databases such as ecoinvent, as well as relevant data issued by governments and institutions.

5.Energy consumption data are calculated with reference to GB/T 2589-2020 General Principles for Calculation of Comprehensive Energy Consumption.

6.Green electricity proportion = (On-site distributed self-generation and self-consumption + Green electricity trading + Green certificate trading)/Total electricity consumption x 100%.

7.Data regarding wastewater, exhaust gas, and waste emissions, along with pollution prevention and control management, cover only the operational entities of Chery Auto in China.

8.The wastewater generated from Chery Auto's production and operations is fully discharged to third-party organizations in compliance with regulations, with no direct discharge into surface water, groundwater, seawater, or other bodies of water.

9.Data related to packaging material usage covers only the vehicle manufacturing scope.

10.Senior management refers to personnel at the level of Assistant to the President and above.

11.In 2024, there were 0 work-related fatalities, with a fatality rate of 0‰ ; in 2023, there was 1 work-related fatality, with a fatality rate of 0.02‰ .

12.Rate of employee fatalities due to work-related injuries per million working hours = Number of fatalities due to work-related injuries × 1,000,000/Total working hours of all employees. Total working hours of all employees = Total number of employees globally x 8 hours/day x (248 days in year 2025).

13.Recordable work-related injury rate per million working hours = Total recordable work-related injuries x 1,000,000/ Total working hours of all employees. Total working hours of all employees = Total number of employees globally x 8 hours/day x (248 days in year 2025).

Content Index

HKEX ESG Reporting Code Index

Aspects, General Disclosures and KPIs	Description	Disclosure Location
A1	**Emissions**	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Enhancing Environmental Management
A1.1	The types of emissions and respective emissions data.	Enhancing Environmental Management Performance Indicators
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Indicators
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Indicators
A1.5	Description of emission target(s) set and steps taken to achieve them.	Enhancing Environmental Management
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Enhancing Environmental Management

Aspects, General Disclosures and KPIs	Description	Disclosure Location
A2	**Use of Resources**	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Addressing Climate Change
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Performance Indicators
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Performance Indicators
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Addressing Climate Change
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Enhancing Environmental Management
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Performance Indicators
A3	**The Environment and Natural Resources**	
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Enhancing Environmental Management
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Enhancing Environmental Management

Aspects, General Disclosures and KPIs	Description	Disclosure Location
B1	**Employment**	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Strengthening Employee Rights Fostering a Positive Workplace
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Performance Indicators
B1.2	Employee turnover rate by gender, age group and geographical region.	Performance Indicators
B2	**Health and Safety**	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Safeguarding Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Performance Indicators
B2.2	Lost days due to work injury.	Performance Indicators
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Safeguarding Health and Safety
B3	**Development and Training**	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Promoting Talent Development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance Indicators
B3.2	The average training hours completed per employee by gender and employee category.	Performance Indicators
B4	**Labour Standards**	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Strengthening Employee Rights
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Strengthening Employee Rights
B4.2	Description of steps taken to eliminate such practices when discovered.	Strengthening Employee Rights
B5	**Supply chain management**	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Enhancing Supply Chain Resilience
B5.1	Number of suppliers by geographical region.	Performance Indicators
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Enhancing Supply Chain Resilience
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Enhancing Supply Chain Resilience
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Enhancing Supply Chain Resilience

Aspects, General Disclosures and KPIs	Description	Disclosure Location
B6	**Product Responsibility**	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Delivering Excellence in Quality Adherence to Compliant Operations Building a Responsible Marketing Ecosystem
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Performance Indicators
B6.2	Number of products and service related complaints received and how they are dealt with.	Delivering Excellence in Quality Performance Indicators
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Leading Technological Innovation
B6.4	Description of quality assurance process and recall procedures.	Delivering Excellence in Quality
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Adherence to Compliant Operations
B7	**Anti-corruption**	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Adherence to Compliant Operations
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Adherence to Compliant Operations
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Adherence to Compliant Operations
B7.3	Description of anti-corruption training provided to directors and staff.	Adherence to Compliant Operations
B8	**Community Investment**	
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Advancing Community Collective Well-being Supporting Children's Growth Empowering Rural Revitalization
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Advancing Community Collective Well-being Supporting Children's Growth Empowering Rural Revitalization
B8.2	Resources contributed (e.g. money or time) to the focus area.	Performance Indicators

Climate-related Disclosures	Description	Disclosure Location
Governance	(a) 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.	Addressing Climate Change
	(b) Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Addressing Climate Change
Strategies	Climate-related risks and opportunities	Addressing Climate Change
	Business model and value chain	Addressing Climate Change
	Strategy and decision-making	Addressing Climate Change
	Financial position, financial performance and cash flows	We have identified the qualitative impacts of various climate-related risks and opportunities, and have incorporated quantitative analysis into our future work plan
	Climate resilience	Addressing Climate Change
Risk Management	(a) The processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks.	Addressing Climate Change
	(b) The processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Addressing Climate Change
	(c) 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 issuer's overall risk management process.	Addressing Climate Change

Climate-related Disclosures	Description	Disclosure Location
Metrics and Targets	Greenhouse gas emissions	Addressing Climate Change Performance Indicators
	Climate-related transition risk	We have identified the qualitative impacts of various climate-related risks and opportunities, and have incorporated quantitative analysis into our future work plan
	Climate-related physical risks	We have identified the qualitative impacts of various climate-related risks and opportunities, and have incorporated quantitative analysis into our future work plan
	Climate-related opportunities	We have identified the qualitative impacts of various climate-related risks and opportunities, and have incorporated quantitative analysis into our future work plan
	Capital deployment	We have identified the qualitative impacts of various climate-related risks and opportunities, and have incorporated quantitative analysis into our future work plan
	Internal carbon pricing	Addressing Climate Change
	Remuneration	Addressing Climate Change
	Industry-based metrics	Addressing Climate Change
	Climate-related targets	Addressing Climate Change

GRI Content Index

GRI Standard	Disclosure	Disclosure Location
GRI 2: General Disclosure 2021		
2-1	Organizational details	About Chery Auto
2-2	Entities included in the organization's sustainability reporting	About This Report
2-3	Reporting period, frequency and contact point	About This Report
2-5	External assurance	Assurance Statement
2-6	Activities, value chain and other business relationships	About Chery Auto Performance Indicators
2-7	Employees	Strengthening Employee Rights Performance Indicators
2-9	Governance structure and composition	Enhancing Corporate Governance
2-10	Nomination and selection of the highest governance body	Enhancing Corporate Governance
2-11	Chair of the highest governance body	Enhancing Corporate Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Improving Sustainability Management
2-13	Delegation of responsibility for managing impacts	Improving Sustainability Management
2-14	Role of the highest governance body in sustainability reporting	Improving Sustainability Management
2-15	Conflicts of interest	Adherence to Compliant Operations
2-16	Communication of critical concerns	Improving Sustainability Management
2-17	Collective knowledge of the highest governance body	Improving Sustainability Management
2-18	Evaluation of the performance of the highest governance body	Improving Sustainability Management
2-19	Remuneration policies	Improving Sustainability Management Enhancing Corporate Governance
2-20	Process to determine remuneration	Enhancing Corporate Governance

GRI Standard	Disclosure	Disclosure Location
2-22	Statement on sustainable development strategy	Improving Sustainability Management
2-23	Policy commitments	Improving Sustainability Management Adherence to Compliant Operations Addressing Climate Change Enhancing Environmental Management Biodiversity Conservation Enhancing Supply Chain Resilience Strengthening Employee Rights
2-24	Embedding policy commitments	Improving Sustainability Management Adherence to Compliant Operations Addressing Climate Change Enhancing Environmental Management Biodiversity Conservation Enhancing Supply Chain Resilience Strengthening Employee Rights
2-25	Processes to remediate negative impacts	Adherence to Compliant Operations Strengthening Employee Rights
2-26	Mechanisms for seeking advice and raising concerns	Adherence to Compliant Operations
2-27	Compliance with laws and regulations	Adherence to Compliant Operations
2-28	Membership associations	Leading Technological Innovation
2-29	Approach to stakeholder engagement	Improving Sustainability Management
2-30	Collective bargaining agreements	Strengthening Employee Rights
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Improving Sustainability ManagementEnhancing Supply Chain Resilience

GRI Standard	Disclosure	Disclosure Location
3-2	List of material topics	Improving Sustainability Management
GRI 201: Economic Performance 2016		
3-3	Management of material topics	Improving Sustainability Management Addressing Climate Change Strengthening Employee Rights Fostering a Positive Workplace
201-1	Direct economic value generated and distributed	Performance Indicators
201-2	Financial implications and other risks and opportunities due to climate change	Addressing Climate Change
201-3	Defined benefit plan obligations and other retirement plans	Strengthening Employee Rights Fostering a Positive Workplace
GRI 202: Market Presence 2016		
3-3	Management of material topics	Improving Sustainability Management Strengthening Employee Rights
GRI 203: Indirect Economic Impacts 2016		
3-3	Management of material topics	Improving Sustainability Management Advancing Community Collective Well-being Supporting Children's Growth Empowering Rural Revitalization
203-1	Infrastructure investments and services supported	Advancing Community Collective Well-being Supporting Children's Growth Empowering Rural Revitalization
203-2	Significant indirect economic impacts	Advancing Community Collective Well-being Supporting Children's Growth Empowering Rural Revitalization

GRI Standard	Disclosure	Disclosure Location
GRI 204: Procurement Practices 2016		
3-3	Management of material topics	Improving Sustainability Management Enhancing Supply Chain Resilience
GRI 205: Anti-corruption 2016		
3-3	Management of material topics	Improving Sustainability Management Adherence to Compliant Operations
205-1	Operations assessed for risks related to corruption	Adherence to Compliant Operations
205-2	Communication and training about anti-corruption policies and procedures	Adherence to Compliant Operations Performance Indicators
205-3	Confirmed incidents of corruption and actions taken	Adherence to Compliant Operations Performance Indicators
GRI 206: Anti-competitive Behavior 2016		
3-3	Management of material topics	Improving Sustainability Management Adherence to Compliant Operations
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Adherence to Compliant Operations
GRI 207: Tax 2019		
3-3	Management of material topics	Improving Sustainability Management Adherence to Compliant Operations
207-1	Approach to tax	Adherence to Compliant Operations
207-2	Tax governance, control, and risk management	Adherence to Compliant Operations
207-3	Stakeholder engagement and management of concerns related to tax	Adherence to Compliant Operations
GRI 301: Materials 2016		
3-3	Management of material topics	Improving Sustainability Management Deepening the Circular Economy

GRI Standard	Disclosure	Disclosure Location
301-1	Materials used by weight or volume	Performance Indicators
301-2	Recycled input materials used	Deepening the Circular Economy Performance Indicators
301-3	Reclaimed products and their packaging materials	Deepening the Circular Economy Performance Indicators
GRI 302: Energy 2016		
3-3	Management of material topics	Improving Sustainability Management Addressing Climate Change
302-1	Energy consumption within the organization	Performance Indicators
302-2	Energy consumption outside of the organization	Addressing Climate Change
302-3	Energy intensity	Performance Indicators
302-4	Reduction of energy consumption	Addressing Climate Change
302-5	Reductions in energy requirements of products and services	Addressing Climate Change
GRI 303: Water and Effluents 2018		
3-3	Management of material topics	Improving Sustainability Management Enhancing Environmental Management
303-1	Interactions with water as a shared resource	Enhancing Environmental Management
303-2	Management of water discharge-related impacts	Enhancing Environmental Management
303-3	Water withdrawal	Performance Indicators
303-4	Water discharge	Performance Indicators
303-5	Water consumption	Performance Indicators
GRI 304: Biodiversity 2016		
3-3	Management of material topics	Improving Sustainability Management Biodiversity Conservation
304-3	Habitats protected or restored	Biodiversity Conservation

GRI Standard	Disclosure	Disclosure Location
GRI 305: Emissions 2016		
3-3	Management of material topics	Improving Sustainability Management Addressing Climate Change
305-1	Direct (Scope 1) GHG emissions	Addressing Climate Change Performance Indicators
305-2	Energy indirect (Scope 2) GHG emissions	Addressing Climate Change Performance Indicators
305-3	Other indirect (Scope 3) GHG emissions	Addressing Climate Change Performance Indicators
305-4	GHG emissions intensity	Addressing Climate Change
305-5	Reduction of GHG emissions	Addressing Climate Change
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Performance Indicators
GRI 306: Waste 2020		
3-3	Management of material topics	Improving Sustainability Management Enhancing Environmental Management
306-1	Waste generation and significant waste-related impacts	Enhancing Environmental Management
306-2	Management of significant waste-related impacts	Enhancing Environmental Management
306-3	Waste generated	Enhancing Environmental Management Performance Indicators
306-5	Waste directed to disposal	Performance Indicators
GRI 308: Supplier Environmental Assessment 2016		
3-3	Management of material topics	Improving Sustainability Management Enhancing Supply Chain Resilience
308-1	New suppliers that were screened using environmental criteria	Enhancing Supply Chain Resilience

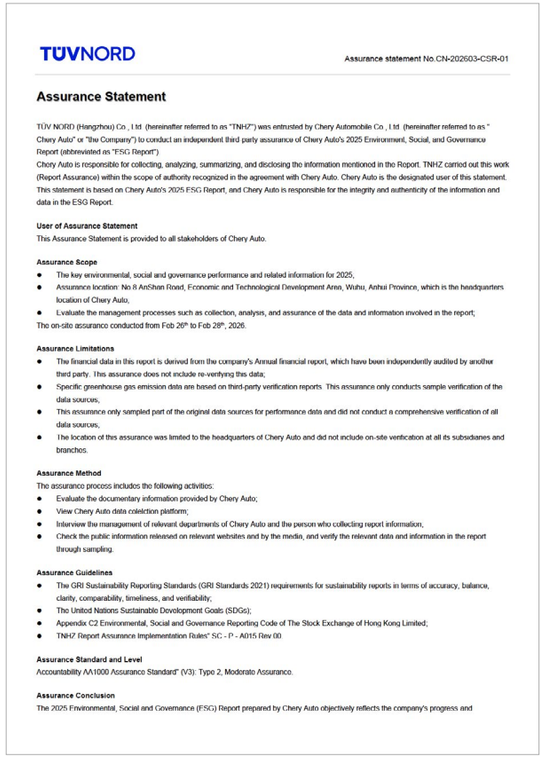
GRI Standard	Disclosure	Disclosure Location
308-2	Negative environmental impacts in the supply chain and actions taken	Enhancing Supply Chain Resilience
GRI 401: Employment 2016		
3-3	Management of material topics	Improving Sustainability Management Strengthening Employee Rights Fostering a Positive Workplace
401-1	New employee hires and employee turnover	Performance Indicators
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Strengthening Employee Rights Fostering a Positive Workplace
401-3	Parental leave	Fostering a Positive Workplace Performance Indicators
GRI 402: Labor Management Relations 2016		
3-3	Management of material topics	Improving Sustainability Management Strengthening Employee Rights
402-1	Minimum notice periods regarding operational changes	Strengthening Employee Rights
GRI 403: Occupational Health and Safety 2018		
3-3	Management of material topics	Improving Sustainability Management Safeguarding Health and Safety
403-1	Occupational health and safety management system	Safeguarding Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Safeguarding Health and Safety
403-3	Occupational health services	Safeguarding Health and Safety

GRI Standard	Disclosure	Disclosure Location
403-4	Worker participation, consultation, and communication on occupational health and safety	Safeguarding Health and Safety
403-5	Worker training on occupational health and safety	Safeguarding Health and Safety Performance Indicators
403-6	Promotion of worker health	Safeguarding Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safeguarding Health and Safety
403-8	Workers covered by an occupational health and safety management system	Safeguarding Health and Safety
403-9	Work-related injuries	Performance Indicators
403-10	Work-related ill health	Performance Indicators
GRI 404: Training and Education 2016		
3-3	Management of material topics	Improving Sustainability Management Promoting Talent Development
404-1	Average hours of training per year per employee	Performance Indicators
404-2	Programs for upgrading employee skills and transition assistance programs	Promoting Talent Development
GRI 405: Diversity and Equal Opportunity 2016		
3-3	Management of material topics	Improving Sustainability Management Enhancing Corporate Governance Fostering a Positive Workplace
405-1	Diversity of governance bodies and employeesq	Enhancing Corporate Governance Fostering a Positive Workplace

GRI Standard	Disclosure	Disclosure Location
GRI 406: Non-discrimination 2016		
3-3	Management of material topics	Improving Sustainability Management Strengthening Employee Rights Fostering a Positive Workplace
406-1	Incidents of discrimination and corrective actions taken	Strengthening Employee Rights Performance Indicators
GRI 408: Child Labor 2016		
3-3	Management of material topics	Improving Sustainability Management Strengthening Employee Rights
408-1	Operations and suppliers at significant risk for incidents of child labor	Strengthening Employee Rights
GRI 409: Forced or Compulsory Labor 2016		
3-3	Management of material topics	Improving Sustainability Management Strengthening Employee Rights
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Strengthening Employee Rights
GRI 414: Supplier Social Assessment 2016		
3-3	Management of material topics	Improving Sustainability Management Enhancing Supply Chain Resilience
414-1	New suppliers that were screened using social criteria	Enhancing Supply Chain Resilience
414-2	Negative social impacts in the supply chain and actions taken	Enhancing Supply Chain Resilience
GRI 415: Public Policy 2016		
3-3	Management of material topics	Improving Sustainability Management Adherence to Compliant Operations
415-1	Political contributions	Adherence to Compliant Operations

GRI Standard	Disclosure	Disclosure Location
GRI 416: Customer Health and Safety 2016		
3-3	Management of material topics	Improving Sustainability Management Delivering Excellence in Quality Ensuring Mobility Safety
416-1	Assessment of the health and safety impacts of product and service categories	Delivering Excellence in Quality Ensuring Mobility Safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No relevant violations occurred during the reporting period.
GRI 417: Marketing and Labeling 2016		
3-3	Management of material topics	Improving Sustainability Management Building a Responsible Marketing Ecosystem
417-1	Requirements for product and service information and labeling	Building a Responsible Marketing Ecosystem
417-2	Incidents of non-compliance concerning product and service information and labeling	No relevant violations occurred during the reporting
417-3	Incidents of non-compliance concerning marketing communications	No relevant violations occurred during the reporting
GRI 418: Customer Privacy 2016		
3-3	Management of material topics	Improving Sustainability Management Adherence to Compliant Operations
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Performance Indicators

Assurance Statement



TÜVNORD

Assurance statement No.CN-202603-CSR-01

Assurance Statement

TÜV NORD (Hangzhou) Co., Ltd. (hereinafter referred to as "TNHZ") was entrusted by Chery Automobile Co., Ltd. (hereinafter referred to as "Chery Auto" or "the Company") to conduct an independent third party assurance of Chery Auto's 2025 Environment, Social, and Governance Report (abbreviated as "ESG Report")

Chery Auto is responsible for collecting, analyzing, summarizing, and disclosing the information mentioned in the Report. TNHZ carried out this work (Report Assurance) within the scope of authority recognized in the agreement with Chery Auto. Chery Auto is the designated user of this statement. This statement is based on Chery Auto's 2025 ESG Report, and Chery Auto is responsible for the integrity and authenticity of the information and data in the ESG Report.

User of Assurance Statement

This Assurance Statement is provided to all stakeholders of Chery Auto.

Assurance Scope

- The key environmental, social and governance performance and related information for 2025;
- Assurance location: No.8 AnShan Road, Economic and Technological Development Area, Wuhu, Anhui Province, which is the headquarters location of Chery Auto;
- Evaluate the management processes such as collection, analysis, and assurance of the data and information involved in the report;

The on-site assurance conducted from Feb 26th to Feb 28th, 2026.

Assurance Limitations

- The financial data in this report is derived from the company's Annual financial report, which have been independently audited by another third party. This assurance does not include re-verifying this data;
- Specific greenhouse gas emission data are based on third-party verification reports. This assurance only conducts sample verification of the data sources;
- This assurance only sampled part of the original data sources for performance data and did not conduct a comprehensive verification of all data sources;
- The location of this assurance was limited to the headquarters of Chery Auto and did not include on-site verification at all its subsidiaries and branches.

Assurance Method

The assurance process includes the following activities:

- Evaluate the documentary information provided by Chery Auto;
- View Chery Auto data collection platform;
- Interview the management of relevant departments of Chery Auto and the person who collecting report information;
- Check the public information released on relevant websites and by the media, and verify the relevant data and information in the report through sampling.

Assurance Guidelines

- The GRI Sustainability Reporting Standards (GRI Standards 2021) requirements for sustainability reports in terms of accuracy, balance, clarity, comparability, timeliness, and verifiability;
- The United Nations Sustainable Development Goals (SDGs);
- Appendix C2 Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited;
- TNHZ Report Assurance Implementation Rules" SC - P - A015 Rev 00

Assurance Standard and Level

Accountability AA1000 Assurance Standard" (V3): Type 2, Moderate Assurance.

Assurance Conclusion

The 2025 Environmental, Social and Governance (ESG) Report prepared by Chery Auto objectively reflects the company's progress and

TÜVNORD

Assurance statement No.CN-202603-CSR-01

performance in environmental, social, and governance aspects during the 2025 fiscal year. The data presented in the report is reliable and objective, and TNHZ found no systematic or material errors.

- **Inclusivity:** The company has identified 12 stakeholders, including customers, shareholders, employees, and suppliers. Through multi-channel, regular communication mechanisms, it promptly responds to their concerns and expectations and integrates them into the company's business activities;
- **Materiality:** The company's Sustainability Development Committee, by benchmarking against peer reports, domestic and international reporting standards, the disclosure requirements of the Hong Kong Stock Exchange, and the focal points of global rating agencies, has identified material issues based on the principle of double materiality (impact materiality and financial materiality). It has identified 19 ESG issues relevant to the company's sustainable development, including "Addressing Climate Response," and formulated a materiality matrix;
- **Responsiveness:** For the identified material issues of high significance, the report outlines their impacts, risks, and opportunities, and systematically organizes and presents this information. Through chapters such as "Strengthening the Governance Foundation for Sustainable Development" and "Protecting Our Shared Planet," it discloses the specific actions taken, resource allocation, and internal mechanisms established by Chery Auto under these issues, thereby responding to stakeholders;
- **Impact:** Regarding the identified issues, the report comprehensively analyzes the positive and negative impacts of the company's activities on society. Furthermore, the Risk Control and Audit Committee regularly conducts major risk assessments, grades and prioritizes identified risks, and assigns corresponding countermeasures, adhering to the principle of impact.

Suggestions for Improvement

Through the assurance and evaluation activities, we have put forward relevant suggestions for improvement regarding Chery Auto's practices and management in sustainable development, all of which have been stated in the "Assurance Report" and submitted to Chery Auto's management for their reference in continuous improvement.

Special Statement

Excluded in this assurance statement:

- Activities other than information disclosure;
- Statements regarding the standpoint, viewpoints, beliefs, goals, future development directions, and commitments of Chery Auto.

Statement of Independence and Competence

TÜV NORD is a world-leading certification body with branches in more than 100 countries around the world. It provides inspection, testing and verification services, including management system and product certification; audits and training in the aspects of quality, environment, society and compliance; assurance of environmental, social responsibility and sustainability reports.

As TÜV NORD's independent member organization in China, TNHZ ensures that there is no conflict of interest with Chery Auto, its branches, or its stakeholders in carrying out this assurance process for the sustainability report. The assurance team is composed of experts with extensive experience and professional technical competence, conducting the assurance activities in accordance with TNHZ's internal procedure documents and global compliance policy requirements. All information in this report was provided by Chery Auto and TNHZ did not participate in the report preparation process.

Signature

On Behalf of TÜV NORD (Hangzhou) Co., Ltd

Jack Yeh:

Sustainable Development Authorized Signatory/Executive Director and CFO of TÜV NORD Greater China

Date: March 16th, 2026 Shanghai

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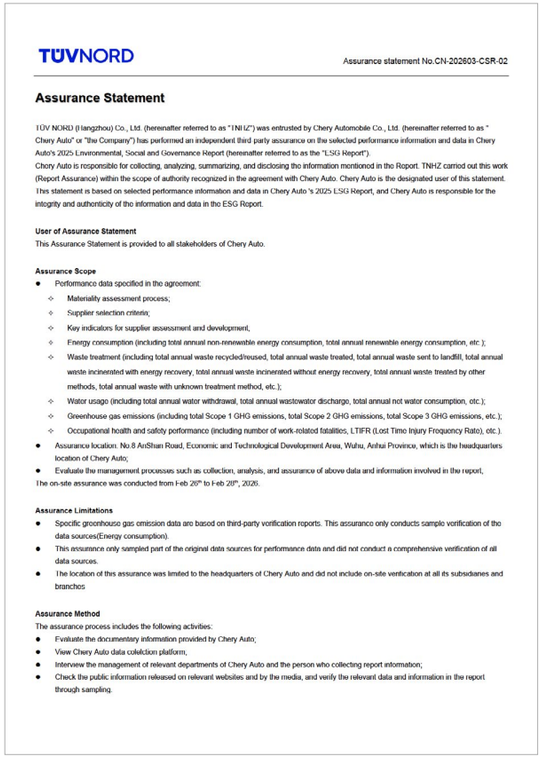
Note: In case of conflict between the Chinese and English versions of this statement, please refer to the Chinese version.



TÜVNORD

Assurance statement No.CN-202603-CSR-02

Assurance Statement

TÜV NORD (Hangzhou) Co., Ltd. (hereinafter referred to as "TNHZ") was entrusted by Chery Automobile Co., Ltd. (hereinafter referred to as "Chery Auto" or "the Company") has performed an independent third party assurance on the selected performance information and data in Chery Auto's 2025 Environmental, Social and Governance Report (hereinafter referred to as the "ESG Report").

Chery Auto is responsible for collecting, analyzing, summarizing, and disclosing the information mentioned in the Report. TNHZ carried out this work (Report Assurance) within the scope of authority recognized in the agreement with Chery Auto. Chery Auto is the designated user of this statement. This statement is based on selected performance information and data in Chery Auto 's 2025 ESG Report, and Chery Auto is responsible for the integrity and authenticity of the information and data in the ESG Report.

User of Assurance Statement

This Assurance Statement is provided to all stakeholders of Chery Auto.

Assurance Scope

- Performance data specified in the agreement:
  - Materiality assessment process;
  - Supplier selection criteria;
  - Key indicators for supplier assessment and development,
  - Energy consumption (including total annual non-renewable energy consumption, total annual renewable energy consumption, etc.);
  - Waste treatment (including total annual waste recycled/reused, total annual waste treated, total annual waste sent to landfill, total annual waste incinerated with energy recovery, total annual waste incinerated without energy recovery, total annual waste treated by other methods, total annual waste with unknown treatment method, etc.);
  - Water usage (including total annual water withdrawal, total annual wastewater discharge, total annual not water consumption, etc.);
  - Greenhouse gas emissions (including total Scope 1 GHG emissions, total Scope 2 GHG emissions, total Scope 3 GHG emissions, etc.);
  - Occupational health and safety performance (including number of work-related fatalities, LTIFR (Lost Time Injury Frequency Rate), etc.)
- Assurance location: No.8 AnShan Road, Economic and Technological Development Area, Wuhu, Anhui Province, which is the headquarters location of Chery Auto;
- Evaluate the management processes such as collection, analysis, and assurance of above data and information involved in the report,

The on-site assurance was conducted from Feb 26th to Feb 28th, 2026.

Assurance Limitations

- Specific greenhouse gas emission data are based on third-party verification reports. This assurance only conducts sample verification of the data sources(Energy consumption).
- This assurance only sampled part of the original data sources for performance data and did not conduct a comprehensive verification of all data sources.
- The location of this assurance was limited to the headquarters of Chery Auto and did not include on-site verification at all its subsidiaries and branches

Assurance Method

The assurance process includes the following activities:

- Evaluate the documentary information provided by Chery Auto;
- View Chery Auto data collection platform,
- Interview the management of relevant departments of Chery Auto and the person who collecting report information;
- Check the public information released on relevant websites and by the media, and verify the relevant data and information in the report through sampling.

TÜVNORD

Assurance statement No.CN-202603-CSR-02

Assurance Standard and Level

International Auditing and Assurance Standards Board's ISSA 5000, General Requirements for Sustainability Information Assurance Engagements, Assurance Level: Limited Assurance

Assurance Conclusion

TNHZ conducted onsite assurance on the performance information listed in the above assurance scope in accordance with the limited assurance requirements of the International Auditing and Assurance Standards Board's ISSA 5000, General Requirements for Sustainability Information Assurance Engagements.

During the assurance process, the audit team performed onsite evidence collection following TNHZ's Report Assurance Implementation Rules SC-P-A015 Rev.00 and reached the following conclusions:

- We are not aware of any matters that lead us to believe that the listed sustainability performance information contains material misstatements. TNHZ found no systematic or material errors, and the data is reliable and objective.
- The disclosure of the listed sustainability performance information applies the principles of materiality, quantification, and consistency in the HKEX's HK-ESG Guide. There is no evidence indicating that the listed performance information does not comply with the HKEX's disclosure requirements.

Suggestions for Improvement

Through the assurance and evaluation activities, we have put forward relevant suggestions for improvement regarding Chery Auto's practices and management in sustainable development, all of which have been stated in the "Assurance Report" and submitted to Chery Auto's management for their reference in continuous improvement.

Special Statement

Excluded in this assurance statement:

- Activities other than information disclosure,
- Statements regarding the standpoint, viewpoints, beliefs, goals, future development directions, and commitments of Chery Auto.

Statement of Independence and Competence

TÜV NORD is a world-leading certification body with branches in more than 100 countries around the world. It provides inspection, testing and verification services, including management system and product certification; audits and training in the aspects of quality, environment, society and compliance; assurance of environmental, social responsibility and sustainability reports.

As TÜV NORD's independent member organization in China, TNHZ ensures that there is no conflict of interest with Chery Auto, its branches, or its stakeholders in carrying out this assurance process for the sustainability report. The assurance team is composed of experts with extensive experience and professional technical competence, conducting the assurance activities in accordance with TNHZ's internal procedure documents and global compliance policy requirements. All information in this report was provided by Chery Auto and TNHZ did not participate in the report preparation process.

Signature

On Behalf of TÜV NORD (Hangzhou) Co., Ltd

Jack Yeh:

Sustainable Development Authorized Signatory/Executive Director and CFO of TÜV NORD Greater China

Date: March 16th, 2026 Shanghai

Note: In case of conflict between the Chinese and English versions of this statement, please refer to the Chinese version.


奇瑞汽车
CHERY AUTO
Mirador