

CHERY
AUTO

2024 Chery Auto

Environmental, Social and Governance Report



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About This Report

Report Overview

The 2024 Environmental, Social and Governance Report of Chery Auto (hereinafter referred to as “this Report”) is the second Environmental, Social and Governance (ESG) report issued by Chery Automobile Co., Ltd. This Report aims to disclose the ESG management strategies, practical achievements, and performance of Chery Auto and its subsidiaries in 2024, to respond to the concerns and expectations of stakeholders including shareholders and investors, employees, customers, government authorities, partners, and the public and community.

Basis for Preparation

This Report covers the reporting period from 1 January 2024 to 31 December 2024. The Company was not listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) during this reporting period. Accordingly, this ESG Report has not been prepared in accordance with the ESG Reporting Guide set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), nor is it subject to the mandatory disclosure requirements under the Listing Rules. This Report is published on a voluntary basis for information purposes only. The disclosures in this Report refer to the GRI Sustainability Reporting Standards (GRI Standards - 2021) issued by the Global Sustainability Standards Board (GSSB), as well as the 17 United Nations Sustainable Development Goals (SDGs).

Reporting Scope

This is an annual report covering the work and achievements of the fiscal year from January 1, 2024, to December 31, 2024 (the “Reporting Period”). Certain content may also reference previous or future years to enhance this Report’s comparability and completeness. The scope of this 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.

Definitions

In this 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 this 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 method in this Report are consistent with those of our ESG report in 2023.

Reliability Assurance and Verification

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. The independent assurance statement can be found on page 126 of this Report.

Confirmation and Approval

This Report was reviewed by the Sustainability Management Committee and approved by the Board of Directors on September 30, 2025.

Report Access

This Report is available in both Chinese and English electronic versions. If there are slight differences, the Chinese version shall prevail. This Report can be downloaded from the Company’s official website (www.chery-auto.com and www.chery.cn).

Contact Us

The Company highly values stakeholders’ opinion and welcomes readers to contact us through the following communication channels. Your feedback will help the Company further improve this report and enhance our sustainability management performance.

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

Message from the Chairman

2024 was a year of strengthening our foundation and driving efficient growth for Chery Auto. In the face of profound opportunities and challenges brought by the global automotive industry’s transformation, we remained steadfast in our commitment to high-quality development and embraced a philosophy of long-termism. We actively fulfilled our environmental, social, and governance (ESG) responsibilities. On behalf of Chery Auto, I would like to extend our sincere gratitude to all partners who have supported us over the years. It is our honor to share with you through this report the innovative practices and significant achievements Chery Auto has made on the path to sustainable development in 2024.

Strengthening Governance for Sustainable Growth

Chery Auto is dedicated to promoting robust corporate governance through a well-designed and scientifically grounded governance framework that fosters steady and sustainable growth. The Company fully integrates sustainable development principles into its operations, embedding ESG values into its corporate culture and strategic planning, while actively pursuing strategic innovation and management transformation. Committed to the highest standards of business ethics, Chery Auto operates with transparency and in full compliance with the law, continuously enhancing risk management and information security to build a strong foundation for its high-quality development.

Advancing Green and Low-Carbon Transition

Fueled by innovation, Chery Auto has made green and low-carbon development a central part of its strategy. We actively tackle climate challenges by managing our products throughout their entire lifecycle and embracing circular economy principles. Collaborating closely with partners across the value chain, we strive to build a sustainable mobility ecosystem. We place great emphasis on protecting natural ecosystems, strengthening our corporate responsibility, and using our influence to make a positive impact. With a strong commitment to ecological conservation and biodiversity, we are dedicated to promoting a green development model that fosters harmony between people and nature.

Making Technological Breakthroughs through Innovation

Each innovation is a testament to the spirit of craftsmanship in our time. We remain at the forefront by strategically investing in new energy and intelligent vehicle technologies. Our advancements span five core technology platforms: Mars Architecture, Chery Power, Lion Intelligent Cockpit, Z-Drive Intelligence, and the Galaxy Ecosystem. Through ongoing research and development, we continually refine our product portfolio to bring the benefits of automotive innovation to users around the globe, collaboratively paving the way for a new era of green, intelligent mobility.

Putting People First for Shared Development

Chery Auto embraces a people-first philosophy, placing employee rights protection and personal development at the heart of its strategic vision. The Company is committed to creating a healthy, safe, diverse, and inclusive workplace that fosters a “Happy Chery” culture, promoting employee well-being and engagement. Beyond internal efforts, Chery Auto fulfills its role as a responsible corporate citizen by actively leveraging philanthropic resources and collective goodwill to generate positive social impact. The company focuses its social responsibility initiatives on key areas such as public welfare, child care, and rural revitalisation driving meaningful community empowerment through concrete actions and close collaboration with society to build a better, more sustainable future.

Striving for Premium Quality

Chery Auto has ingrained a commitment to exceptional quality at the heart of its brand identity. Guided by a focus on delivering user value, the Company has built a comprehensive quality assurance system that covers the entire value chain—from product research and development and intelligent manufacturing to supply chain management and service ecosystems. At the same time, we regard users as important co-creators of value to build a collaborative and shared value creation system and user ecosystem, providing global customers with higher-quality and more diverse mobility experiences.

Conclusion

Looking ahead, Chery Auto will power its growth through innovation and uphold its commitment through responsible practices. The Company will actively engage with the expectations of all stakeholders and collaborate closely with global partners to build an open, inclusive, and cooperative industrial ecosystem, together shaping a new chapter in sustainable development.



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

About Chery Auto

Who We Are

Founded in 1997, Chery Automobile Co., Ltd. is headquartered in Wuhu, Anhui Province, China. As a globally leading passenger car manufacturing company, we are committed to becoming an innovation-driven, globally trusted leader in intelligent mobility ecosystems, with independent innovation as the foundation of our development. While deepening our presence in the traditional internal combustion engine vehicle market, we are also expanding into new areas such as new energy, intelligent connectivity, shared mobility, platforms, and ecosystems. We have 5 major brands, i.e. CHERY, JETOUR, EXEED, iCAR, and LUXEED, offering high-quality automotive products and an exceptional mobility experience to global users.

Chery Auto has established a global network encompassing research and development, production, and sales. Leveraging exceptional innovation, cutting-edge technical expertise, superior manufacturing capabilities, and outstanding customer service, Chery Auto is committed to building a globally competitive brand. It was among the first Chinese independent passenger car brands to export complete vehicles, KD kits, and engines internationally. Today, its business reaches over 100 countries and regions around the world. We are dedicated to providing safer, more energy-efficient, environmentally friendly, smarter, and more convenient automotive products and services, providing global users with high-quality mobility experience.

Mission | Innovative Chery Makes You Brilliant

Vision | Committed to Becoming an Innovation-driven, Globally Trusted Leader in Intelligent Mobility Ecosystems

Values | Customer-First, People-Oriented, Independent Innovation, Open and Inclusive

Our Brands



CHERY – Mass market brand

As our signature brand, CHERY is positioned as a first-rated car brand of safety, comfort and quality for the mass market and family use.



JETOUR – Brand for off-road travel

JETOUR targets customers who are passionate about family travel and outdoor leisure.



EXEED – Preferred tech-luxury vehicle brand

EXEED targets customers who value performance and elegance, and provides them with an exceptional and refined travel experience.



iCAR – Brand for young generation

iCAR, targeting Generation Z customers who are keen on technology and value freedom, is designed to bring in contemporary and intelligent travel experience.



LUXEED – Brand for superior and intelligent NEVs

LUXEED, targeting customers who pursue intelligence, performance and innovation, is designed to provide them with a transformative and intelligent driving experience.

Milestones in 2024

Ranked first in the “Top 100 Invention Patents in Anhui Province in 2023”

In February, Chery Auto was ranked first on the “Top 100 Invention Patents in Anhui Province for 2023,” marking its tenth consecutive year at the top of the list. With its strong R&D capabilities and continuous technological innovation, Chery Auto is accelerating industry transformation.

Joined the UN Global Compact

In March, Chery Auto joined the United Nations Global Compact, leveraging its strengths to promote the achievement of the United Nations sustainable development goals, and working together with global companies to build a more sustainable world.

Shortlisted in “2024 Fortune China ESG Impact List”

In May, Chery Auto was shortlisted in “2024 Fortune China ESG Impact List”, becoming one of the three Chinese automakers featured on the list.

Ranked first in the automotive category of the “Top 50 Kantar BRANDZ Chinese Global Brand Builders 2024” in China.

In June, Chery Auto ranked first in the automotive category and 14th overall on the “Top 50 Kantar BRANDZ Chinese Global Brand Builders 2024” list. This marks the seventh consecutive year that Chery Auto has been featured on the list.

Multiple brands delivered stellar performance in the J.D. Power awards of 2024

In September, the CHERY brand was awarded the top ranking in J.D. Power’s “2024 China initial quality study (IQS)” for domestic brands, the top ranking in the “2024 China Automotive Performance, Execution and Layout (APEAL)” for domestic brands, and the top ranking in the “2024 China Sales Satisfaction Index (SSI)” for domestic brand sales satisfaction.

Launched the “Cherish the Nature” programme with the International Union for Conservation of Nature (IUCN)

In October, in partnership with the IUCN, Chery Auto launched the “Cherish the Nature” programme, investing \$3.5 million to jointly address global environmental challenges such as water scarcity, marine ecosystem degradation, and biodiversity loss.

Held the 2024 Chery Global Innovation Conference

In October, the 2024 Chery Global Innovation Conference themed on “Technology Empowers the Future” was grandly opened in Wuhu, where the latest innovations were shared and celebrated with global users and partners.

Joint venture factory’s EBRO brand S700 model rolled off the production line

In November, Chery Auto’s first product from its joint venture factory with Spain’s EV MOTORS, the EBRO brand S700, rolled off the production line. This makes Chery Auto the first Chinese independent passenger car brand to manufacture complete vehicles in Europe. Harnessing its technological advantages, Chery Auto has bolstered global industry development, setting a benchmark for global cooperation in the automotive industry.

Sales hit a new record, driving forward the strategic implementation of electrification and intelligent technology

In December, Chery Auto continued to strengthen its efforts in the new energy sector, with its brands CHERY, EXCEED, JETOUR, iCAR, and LUXEED collaboratively advancing the electrification and intelligent technology strategy. The Company sold 479,171 new energy vehicles for the year, a year-on-year increase of 267.40%, as it pushes ahead with its vision to “become the innovation-driven, globally trusted leader in the intelligent mobility ecosystem.”

Sustainability Highlights in 2024

Operation and Governance

Operation Performance

Annual operating income
RMB **269.897** billion

Annual net profit
RMB **14.334** billion

Independence and Diversity of the Board

Independent directors
40%

Female directors
20%

Information Security

0
Information and cybersecurity incidents

Innovation and R&D

R&D and Clean Technology

Annual R&D investment
RMB **10.544** billion

R&D personnel
13,310

9 new NEV models launched in 2024

Intellectual Property

2,307 patents granted in 2024

13,700+ patents obtained cumulatively as of 2024

Quality and Service

Product Quality

CHERY ranked
NO.1
among Chinese brands in J.D. Power 2024 China Initial Quality Study (IQS)

6 consecutive ICQCC Gold Awards

Mobility Safety

41 models
awarded global five-star safety ratings

Service

CHERY ranked
NO.1
among Chinese brands J.D. Power 2024 China Sales Satisfaction Index (SSI)

CHERY ranked
NO.2
among Chinese brands J.D. Power 2024 China Customer Service Index (CSI)

13 safety performance verifications completed in 2024

Value Chain

Supplier Management

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

105 suppliers
participated in the “Outstanding Supplier” programme

Dealer Management

2,428 training sessions
for dealers in 2024

98% dealers
participated in training

Low Carbon and Environmental Stewardship

New Energy Vehicles

Annual NEVs sales
479,200+ units

20.87 % of total sales

Climate Action

30 % renewable electricity (China vehicle production bases)

210.3 MW grid-connected PV capacity at China vehicle production bases

96.77 % coverage rate of Product Carbon Footprint calculation for all vehicles sold throughout the year

Environmental Protection

RMB **224** million
invested in pollution reduction and waste control projects

90 % growth year-on-year

2 national-level “Green Factory” certifications

1 national-level “Green Supply Chain Management” enterprise

3 enterprises selected for Anhui Province's first Net-zero Carbon Industrial Park preparation list

2 factories rated “A” for heavy pollution response

1 Green Power Microgrid pilot project for Net-zero Carbon Logistics Park

Circular Economy

Mineral oil recycling project reached comprehensive utilisation rate

95 %

base oil recovery rate

76 %

618 power battery recycling outlets established in our 45 stores nationwide

Employee

Average training time per employee
59.17 hours

Total investment in employee training
RMB **20.98** million

100 % employee received occupational health and safety training

2,411,351 training person-times

100 % employees are union members

100 % employees are covered by the collective agreement

Community Welfare

40,000,000+
children and youth benefited from our global education programmes

RMB **35.1564** million invested in social welfare and charity in 2024

RMB **2.7955** million dedicated to rural revitalisation initiatives

Recognition and Awards (selected)

Corporate Governance

- 🏆 Listed on "2024 Fortune China ESG Impact List"
- 🏆 Honored by the China Association of Automobile Manufacturers for sustainability leadership
- 🏆 Won the 11th Anhui Patent Gold Award
- 🏆 Named "Top Talent Contributor" by the Wuhu Economic and Technological Development Zone
- 🏆 Awarded the 2024 Outstanding HR Management Award by 51job

Environmental

- 🏆 Rated a Five-Star Carbon Management Enterprise by the Auto Industry Energy Conservation and Green Development Centre
- 🏆 Rated as a National Green Factory by the Ministry of Industry and Information Technology
- 🏆 Rated as an Environmentally Integrity Enterprise by the Anhui Provincial Department of Ecology and Environment

Social

- 🏆 Awarded the Gold Prize at the International Convention on Quality Control Circles (ICQCC) for six consecutive years
- 🏆 Second Prize, China Quality Association Technical Quality Award
- 🏆 Named "Renewed Auto Brand of the Year" by the China Auto Golden Vision Awards
- 🏆 Recognized as the "Most Trusted Consumer Brand of the Year" by Auto Life



Responsible Development

Chery Auto is deeply committed to strong and effective corporate governance. We’ve built a modern, well-structured system that continues to evolve, with continuous efforts to enhance the board’s expertise, diversity, and operational effectiveness. By aligning with international best practices, we support high-quality, sustainable growth. Our approach is grounded in transparency, legal compliance, and a steadfast commitment to integrity and ethical business conduct.

Key performance

- We improved the independence and diversity of the Board of Directors. Independent directors account for 40% of the board, with female directors representing 20%
- 595 business ethics training sessions were conducted throughout the year, and 100% of board members and employees participated in the training
- During the reporting period, neither the Company nor its employees were involved in any corruption lawsuits that have been filed and concluded
- We place a strong emphasis on information security and privacy protection, with no major incidents reported during the year
- We strengthened information risk management capabilities, and obtained the ISO 27001 certification for information security management systems
- We released the first *Go Global Data Compliance White Paper* in the China’s auto industry

Key Topics

Corporate governance
Business ethics
Risk management and compliance

Information security and privacy protection
Protection of intellectual property rights

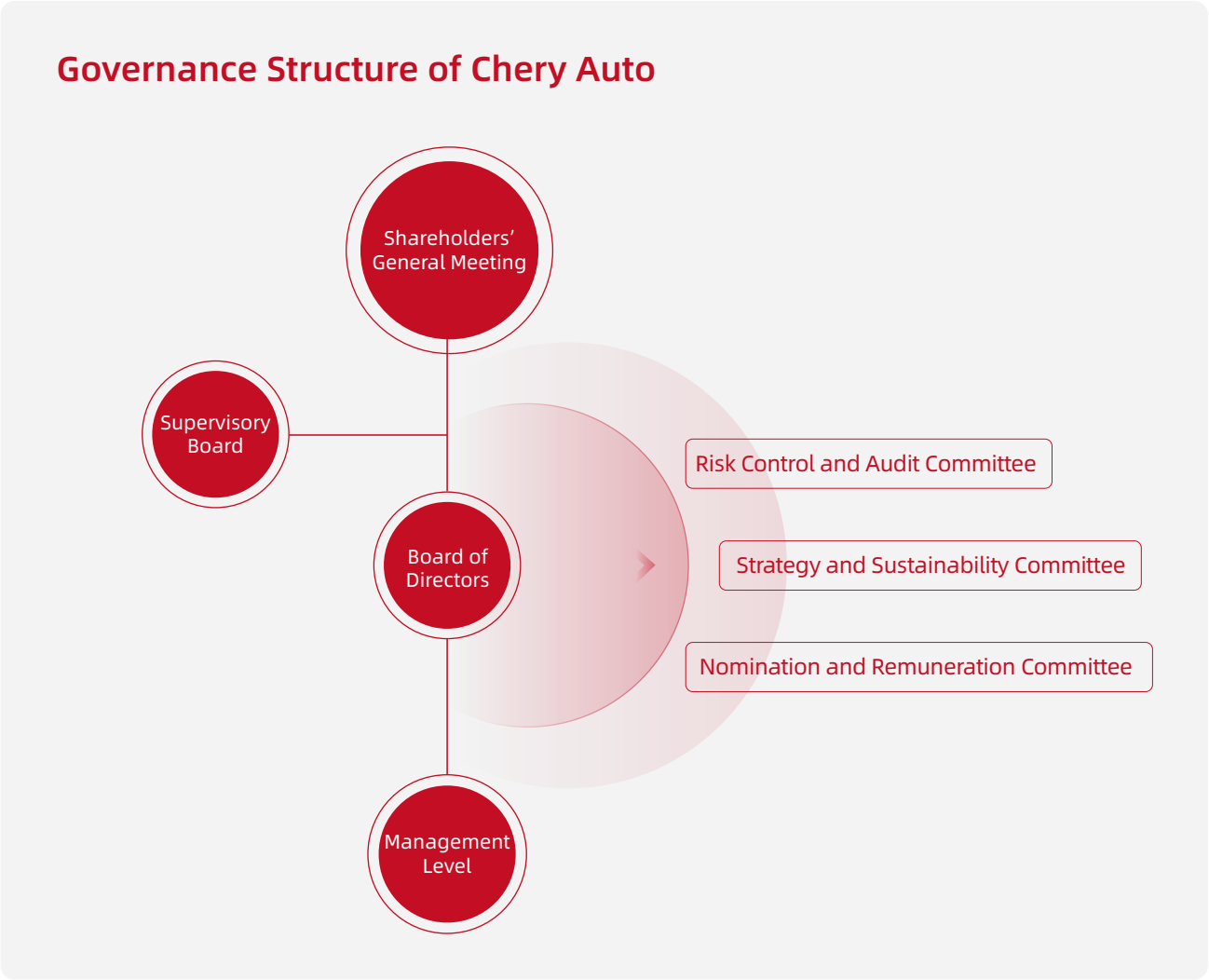


Corporate Governance

Chery Auto regards legal compliance as the lifeline of its operations, strictly adhering to the laws and regulations of all regions in which it operates. By strengthening risk management measures, we have systematically built a well-structured and standardised corporate governance framework. We promote governance effectiveness through institutional innovation, dynamic updates to standards, and process reengineering as part of our efforts to ensure that our governance practices remain compliant, effective, and responsive to evolving demands, thus providing a solid foundation for the Company’s long-term, steady development.

Governance Structure

Chery Auto has established a corporate governance framework and operational mechanism centred on the Shareholders’ General Meeting, Board of Directors, Board of Supervisors, and Executive Management. Three specialised committees under the Board have been set up: the Risk Control and Audit Committee, the Nomination and Remuneration Committee, and the Strategy and Sustainability Committee. In 2024, the Company revised and refined a series of governance documents, 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 Specialised Committees of Independent Directors*. These updates promote standardised, efficient, and effective performance of governance responsibilities and help safeguard shareholder rights. In 2024, Chery Auto convened 4 shareholders’ general meetings, reviewing 29 proposals, and held 8 board meetings, deliberating on 50 proposals.



4

shareholders’ general meetings convened

29

proposals reviewed

8

board meetings held

50

proposals deliberated

Performance of Duties of the Board of Directors

The Board of Directors of Chery Auto holds the highest governance authority within the Company. It is responsible for defining the corporate vision, long-term strategy, and culture of integrity, while balancing financial soundness with ESG value creation. The Board also regularly reviews execution progress and resource allocation to ensure alignment between corporate culture, strategy, and operations.

The Board of Directors prioritises its “independent supervision” function. By the end of 2024, the Board consists of 15 members, including 2 executive directors, 7 non-executive directors, and 6 independent non-executive directors, with independent directors accounting for 40% of all board members. These independent directors bring extensive expertise in law, finance, and automotive engineering, forming a talent pool offering objective and professional advice on matters related to strategy, compliance, and ESG risks.

In terms of diversity, the Company currently has 3 female directors, representing 20% of the board members. The Board reviews the effectiveness of its diversity policy on an annual basis to maintain gender balance.

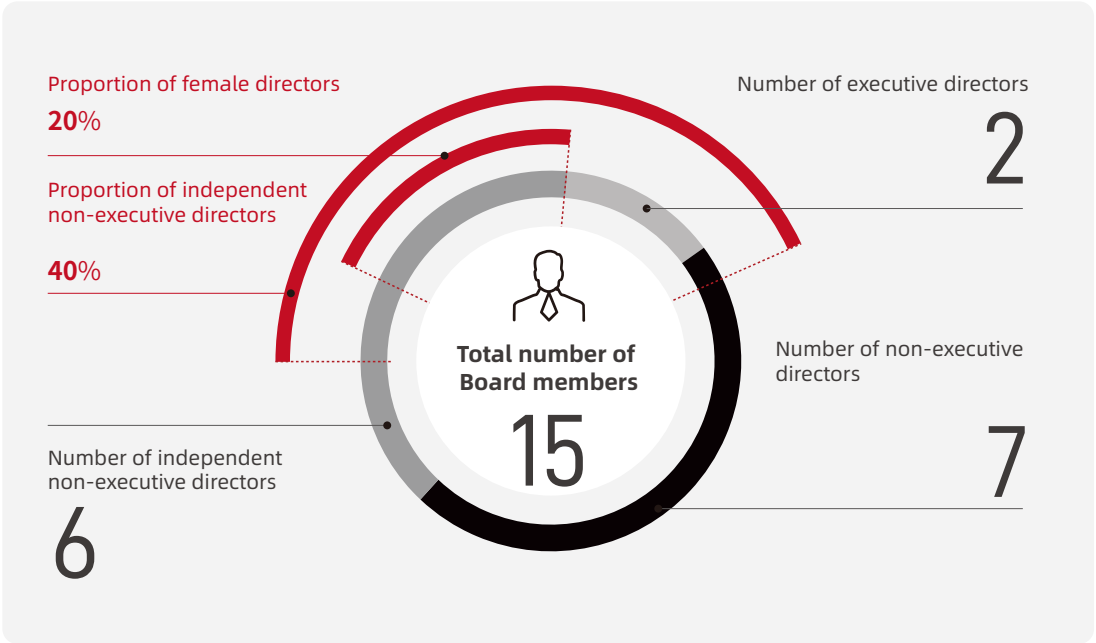
To make supervision more comprehensive and professional, the Board of Chery Auto has established 3 specialised committees: the Strategy and Sustainability Committee, the Risk Control and Audit Committee, and the Nomination and Remuneration Committee. The Nomination and Remuneration Committee conducts annual reviews of board independence, skills matrix, director performance, and executive compensation. The Strategy and Sustainability Committee oversees the management and specialised training of ESG, climate governance, and information security-related topics. The Risk Control and Audit Committee focuses on financial reporting, risk management, and compliance. They are composed entirely of non-executive and independent directors, reinforcing their independence.

All 3 committees have clearly defined mandates and reporting mechanisms. Major issues must be reviewed and deliberated on by the relevant committee before being submitted to the full Board for final decisions. Each committee comprises 7 directors with backgrounds in automotive engineering, precision manufacturing, electronic information, finance, and taxation. This cross-disciplinary structure ensures that decisions are made in a rational manner and forward-looking.

In terms of risk and internal control, Chery Auto’s Board of Directors conducts at least one annual assessment of the effectiveness of the Company’s risk management and internal control systems. The Company draws a “risk heat map” and requires that management regularly report on identified risks and corresponding improvement measures. In 2024, the Board reviewed key risks such as climate change, supply chain resilience, and product quality and safety. The Company has also established quantitative performance indicators for material sustainability issues. Starting from the 2025 cycle of performance appraisal, the performance-based incentive for the executive level is directly linked to ESG goals. If these ESG goals are not met, the corresponding incentive will be reduced or rolled back, ensuring that the management is hold accountable for the execution of strategy.

In 2024, the attendance rate of Chery Auto’s board meetings was 100%. All key discussion points and resolutions were documented, with progress tracked to ensure follow-through.

By adopting a governance model based on “independent supervision, professional expertise, and multi-party collaboration,” Chery Auto’s Board is well-positioned to seize opportunities in electrification and intelligent mobility while identifying and mitigating sustainability-related risks, thus ensuring long-term value creation for stakeholders.



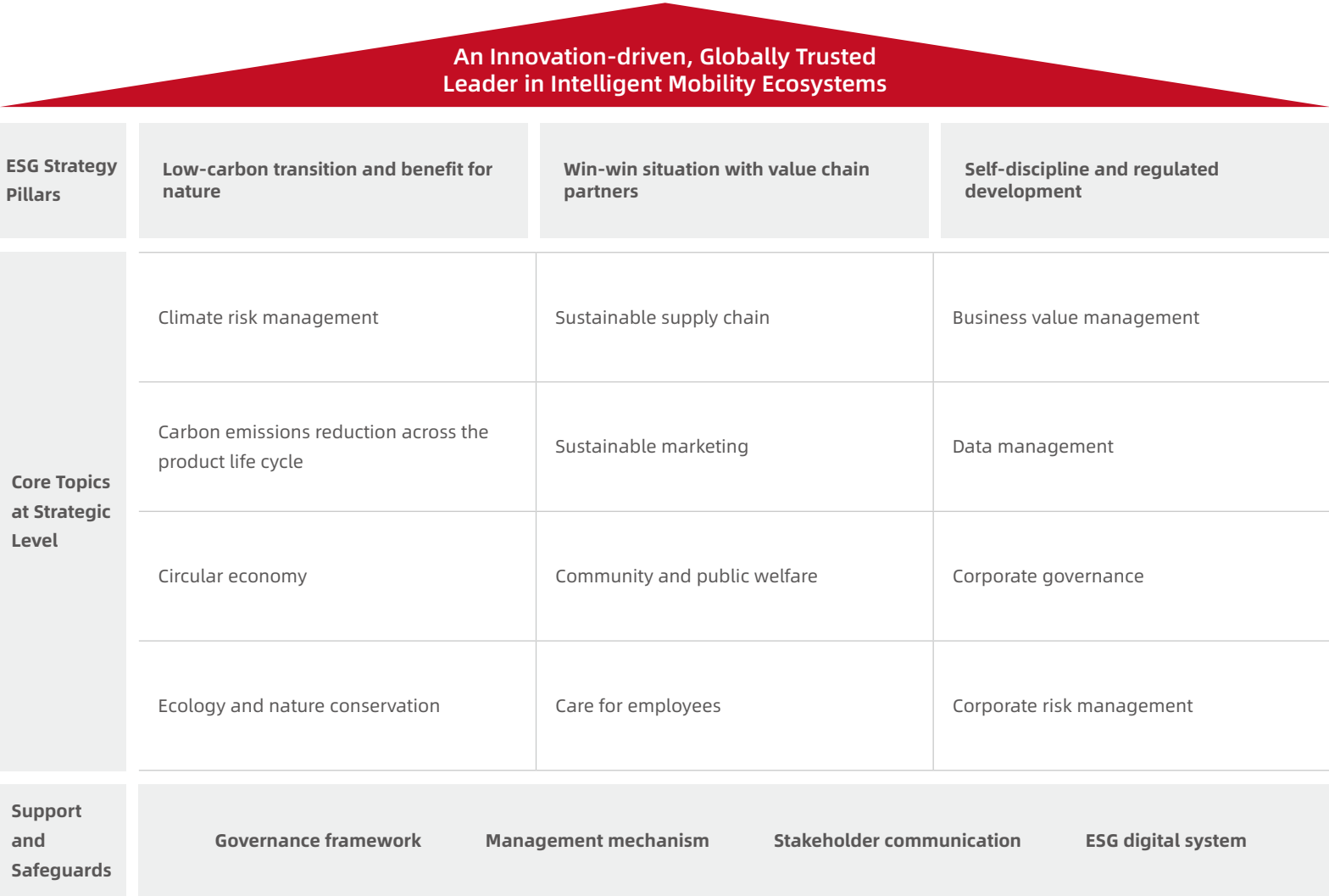
Sustainability Management

Over the past 27 years, Chery Auto has made the transformation from a trailblazer into an industry-leading innovator. Driven by an unwavering commitment to independent innovation and the enduring commitment to corporate values, Chery Holding achieved a historic milestone in 2024—shortlisted on the Fortune Global 500 list at the 385th place. This landmark breakthrough marks Chery’s evolution from “Made in China” to “Created in China,” and heralds our journey toward becoming a world-class automaker. Standing at this new historical juncture, Chery Auto will continue to write a new chapter in the global automotive industry, powered by innovation and defined by quality. As we rise to new heights of globalisation we are integrating sustainability into the fabric of our development, charting the course to become a world-leading green and intelligent mobility technology company.

ESG Strategy

Guided by the philosophy of “In somewhere, For somewhere,” Chery Auto has established a comprehensive sustainability framework that applies ESG principles across strategic planning and operational execution. Chery Auto continuously strengthens its sustainability governance structure, embedding ESG values into its corporate culture and long-term development strategy. This ongoing transformation drives changes in management mindset, strategic renewal, and organizational restructuring, enabling Chery Auto to enhance its ESG impact, fulfill its responsibilities as a global corporate citizen, and create economic, environmental, and social value for a wide range of stakeholders. Chery Auto’s

sustainability strategy is anchored in 3 core pillars: a comprehensive low-carbon transition that benefits nature, close collaboration with value chain partners for mutual growth, and upholding high standards in self-discipline for regulated development, forming the foundation for sustainability development. By focusing on 12 core ESG topics, including climate risk, product life-cycle carbon reduction, circular economy, and sustainable supply chains, Chery Auto is following ESG principles in every facet of its business, and delivering high-quality, eco-friendly products and a superior mobility experience to users around the world.



ESG Ecosystem

Chery Auto is redefining corporate value with a global perspective, taking globalisation as corporate responsibility and mission. We firmly believe that a truly global enterprise must achieve 3 key transformations: from trade exchanges to shared value, from market expansion to shared responsibility, and from commercial success to mutual cultural understanding. We are exploring a new path to globalisation with Chery characteristics, an ecosystem that aligns closely with our sustainable development goals. By leveraging both internal resources and external partnerships, we aim to build a diverse, co-creative, and collaborative global ecosystem featuring shared growth and mutual governance. This integration of business value and social responsibility has become Chery Auto's calling card on the global stage. While presenting our values to the world, we are also striving to integrate into local communities. As we deliver products and services, we are also taking on international responsibilities. This evolving ESG-driven ecosystem is reshaping the narrative of how Chinese automotive brands engage in global governance.

In 2024, Chery Auto took a major step toward sustainable global development with the official launch of the Chery Global ESG Community. This innovative platform brings together a diverse range of stakeholders, including global customers, dealer partners, leading media, and public welfare organizations, to build an open and shared ESG value network.

CASE

Chery Auto Officially Joins the United Nations Global Compact (UNGC)

On March 31, 2024, Chery Auto officially joined the United Nations Global Compact (UNGC), the world's largest corporate sustainability initiative, fully committing to its ten principles, which include human rights and labor standards. By engaging in policy dialogues, learning forums, and establishing strategic partnerships, we deeply integrate the Global Compact principles into our corporate strategy and operations, continuously advancing sustainable development practices and fostering mutual growth between the Company and society.

WE SUPPORT



ESG Management System

Chery Auto has established an integrated ESG management ecosystem built on the pillars of strategy, governance, and operations. Guided by its ESG strategy, the Company has developed a four-pronged support framework that include: optimised governance structure (Board’s Strategy and Sustainability Committee), innovative management mechanisms (ESG KPI system), stakeholder collaboration (Global ESG Dialogue Platform), and digital empowerment (intelligent ESG monitoring system). Together, these elements form a complete and closed-loop process from strategic planning to execution. Chery Auto has incorporated key ESG indicators, including risk management, carbon emissions reduction, anti-corruption, quality, and safety, into its executive compensation assessment framework. In this way, we ensure a strong alignment between the Company’s sustainability goals and leadership performance, driving every aspect of operations in sync with the vision of becoming an innovation-driven, globally trusted leader in intelligent mobility ecosystems.

ESG Digital Transformation

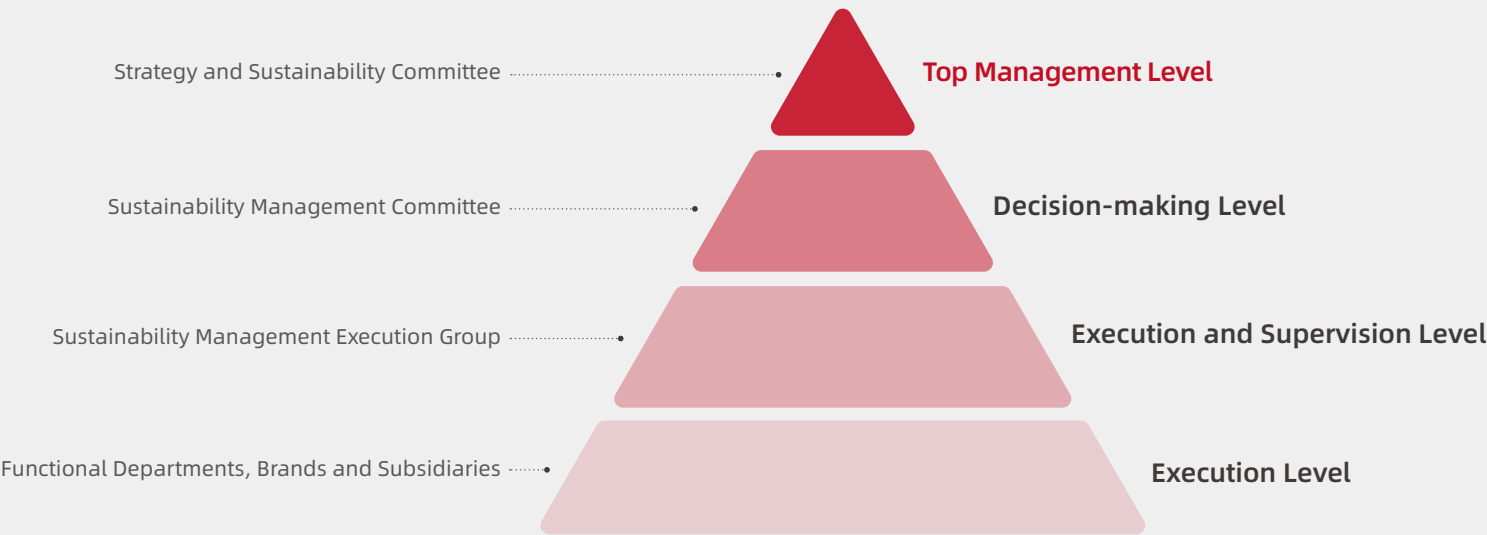
Chery Auto is developing an advanced “Intelligent ESG Digital Hub,” centred around an integrated ESG and carbon emissions management platform, to build a forward-looking, intelligent ESG digital system that transforms its ESG management model across the board. The platform system design should fully incorporate internationally recognised sustainability standards and industry best practices, integrating functions such as ESG management, carbon management, and third-party ESG data and information management, so as to ensure the deep integration of ESG practices with business operations. By efficiently collecting, accurately analysing, and monitoring ESG indicators and performance progress, the platform aims to enhance ESG management efficiency and realise a paradigm shift from traditional management to intelligent governance.

Sustainability Governance Structure

The Company has established a comprehensive ESG governance system that connects strategic decision-making, operational execution, and supervision feedback. By coordinating the efforts of 4 governance layers, i.e. governing body, management, supervisory, and execution levels, Chery Auto maximises the effectiveness of its sustainability initiatives. The Board of Directors, as the highest authority responsible for ESG-related matters, assumes comprehensive responsibility for ESG management. Under the board, the Strategy and Sustainability Committee oversees and guides the management of ESG vision and goals, ESG risks and opportunities, ESG strategy, system development, and information disclosure. This committee advises the board on ESG-related work, fully fulfilling its ESG governance role to ensure that the Company’s sustainable development aligns with its strategic planning.

Under the Operations Management Committee, we have established a dedicated Sustainability Management Committee to further integrate ESG management and supervision responsibilities into all organizational levels. This structure promotes the deep integration of ESG with corporate development strategy and business decision-making. The Sustainability Management Committee holds regular meetings to guide ESG management, carbon strategy planning, and policy formulation, as well as to evaluate and make decisions on significant ESG-related matters, including environmental and social risks. In 2024, the committee convened 3 theme meetings covering key topics such as sustainability report disclosures, ESG strategic planning, carbon management, and carbon emissions reduction planning.

Under the Sustainability Management Committee, the Company has established a ESG Working Group that spans all functional departments, brand divisions, and subsidiaries. ESG officers are appointed in key areas such as R&D, manufacturing, procurement, and the digital intelligence centre to drive the implementation of specific initiatives. As the executive body for ESG matters, the Working Group rigorously enforces the committee’s decisions, conducts ongoing monitoring of ESG risks related to climate, employees, and supply chains, and promotes the effective execution of ESG and carbon management practices.



Stakeholder Engagement

Chery Auto fully listens to the voices and concerns of its stakeholders, and takes their input as a key reference in the Company’s ESG efforts to achieve mutual value creation. Across all aspects of management and operations, we engage with a broad range of stakeholders, including government and regulatory agencies, shareholders and investors, customers and consumers, suppliers, dealers, industry partners, employees, media, and the public. Through regular communication mechanisms and diverse channels, we respond to stakeholder interests and expectations, continuously enhancing the effectiveness of our stakeholder engagement.

Stakeholder									
Concerns and expectations	- Compliant operations - Pay taxes - Promoting employment	- Regulated governance - Return on investment - Information transparency	- Product liability - Customer services - Privacy protection	- Fairness and equality - Supplier management - Mutually beneficial and win-win cooperation	- Business compliance - Service improvement - Win-win cooperation	- Industry cooperation - Fair competition - Industry development - Scientific research innovation	- Lawful rights and interests - Remuneration and benefits - Career development - Occupational health and safety - Equality and diversity	- Information disclosure - Business dynamics	- Driving economic development - Rural revitalisation - Environmental protection
Communication mechanism and response	- Policy implementation - Information submission - Provision of employment opportunities	- Shareholders' meeting - Information disclosure - Visit reception	- Satisfaction survey - Complaint handling mechanism - Data security management	- Normative sourcing - Evaluation and assessment - Supplier training and communication	- Responsible marketing - Dealer training - Dealer conferences	- Strategic cooperation - Industry initiatives - Standards formulation - Cooperation with universities and research institutes	- Contracts and agreements - Performance evaluation - Employee training - Employee physical examination - Communication and care	- Media interviews - Press conferences	- Community development - Public welfare and donations - Environmental monitoring

ESG Materiality Analysis

We conduct an annual materiality review and analysis, with key stakeholders involved in this process including investors, the Board of Directors, senior management, suppliers, dealers, employees, as well as other key internal and external representatives and groups. To adapt to the rapid change of relevant topics and meet emerging challenges and long-term sustainability demands, we have established an ongoing review and analysis process, which is an essential part of our materiality assessment mechanism to ensure continued relevance and responsiveness. In our review and analysis, we apply the principle of “double materiality.” This means that if a sustainability topic has a significant impact on the environment or society, and simultaneously has a material impact on Chery Auto’s strategic goals, value drivers, competitive position, and long-term shareholder value creation, it is considered a material topic with ESG attributes.

Applicable framework

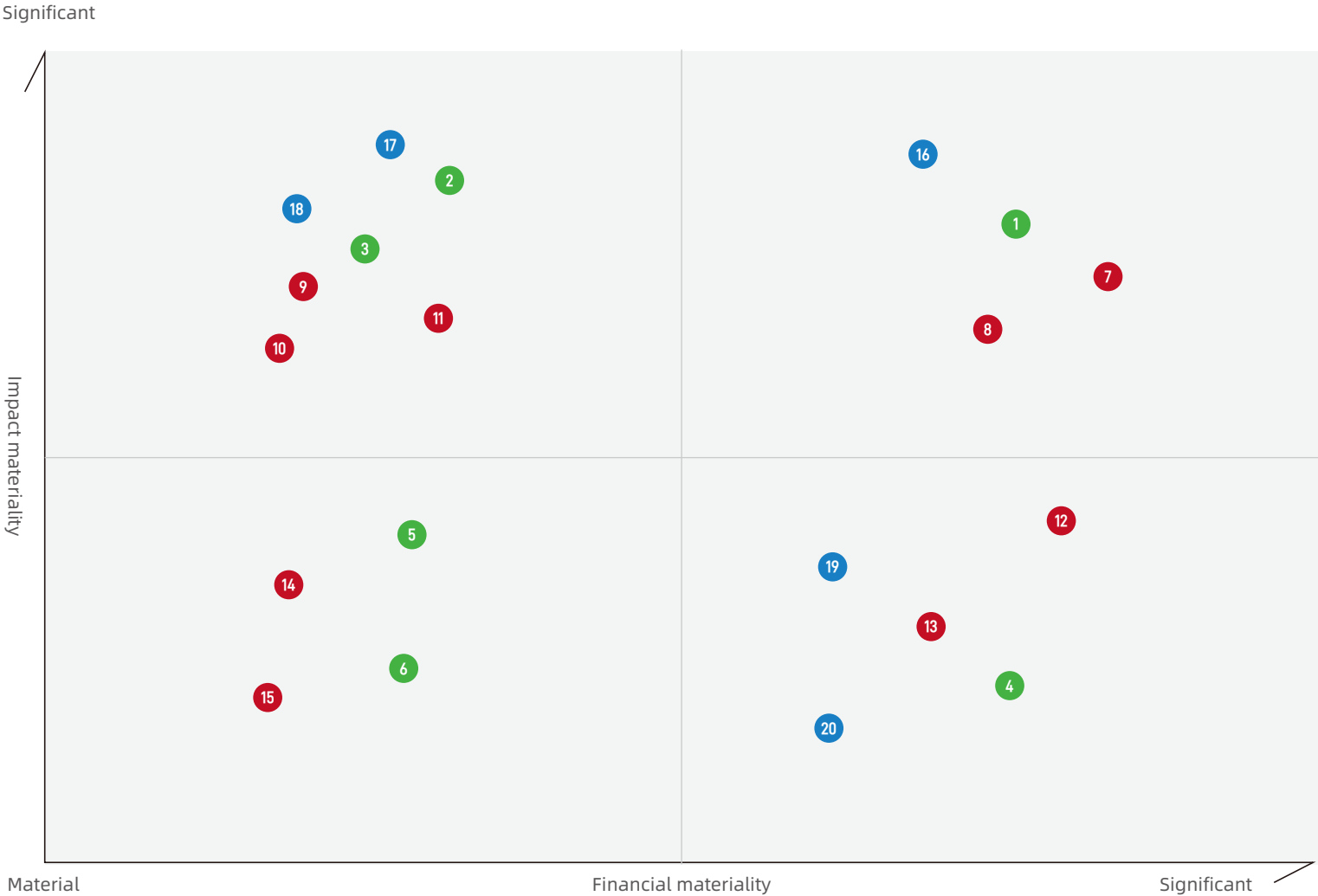
Standards referenced: The Global Reporting Initiative (GRI) *Sustainability Reporting Standards*, *HKEX Appendix C2 Environmental, Social and Governance Reporting Guide*, the International Sustainability Standards Board (ISSB) *International Financial Reporting Standard (IFRS) Sustainability Disclosure Standards No. 1 – General Requirements for Disclosure of Sustainability-related Financial Information*, and *No. 2 – Climate-related Disclosures*, along with the widely adopted materiality matrix for the automotive industry.

Assessment process and governance structure

Stage	Main tasks	Key responsible parties	Deliverables
Governance establishment	Policies, timelines, and resources are determined by the Strategy and Sustainability Committee, with an agile review completed annually. Major operational changes or regulatory updates will trigger a special reassessment.	Strategy and Sustainability Committee	Assessment guidelines & approval records
Construction of issues library	Over 60 potential ESG topics were compiled—drawing on references such as GRI, ISSB S1/S2 standards, industry research, and regulatory trends—and the existing topic list was thoroughly reviewed and analysed. Through inclusion, splitting, merging, and applicability assessments, a final set of 20 topics highly relevant to the Company’s sustainable development was confirmed.	ESG Working Group	List of material topics
Impact identification	A value chain mapping was established, covering R&D, procurement, production, logistics, use, and recycling stages. This process identifies the positive and negative environmental and social impacts, as well as associated risks and opportunities.	Business units	Value chain mapping diagram
Stakeholder interaction	We collected 2,886 online questionnaire responses (in 2024) from employees, suppliers, dealers, investors, communities, and regulators, and document the key concerns, specific interests, priorities, expectations, and demands of diverse stakeholders.	External third parties	Weighted scoring database for issue impact assessment
Assessment of financial materiality	A three-dimensional scoring method was adopted, evaluating each issue based on likelihood, financial impact magnitude, and time horizon.	Finance Department/ Audit Department	Financial materiality matrix
Dual integration and validation	A 2x2 matrix was constructed based on impact assessment and financial evaluation dimensions, with threshold values determined through a combination of internal discussions and external validation.	ESG Working Group/ Audit Committee/Third Party Assurance Agency	Material issue matrix, priority of issues
Disclosure and improvement	The results of the double materiality assessment are submitted to the Board’s Strategy and Sustainability Committee for review. Identified “double material” topics are highlighted in the report, and the assessed material ESG topics are systematically integrated into the Company’s overall risk management framework. This ensures coordinated management of ESG risks alongside other business risks, thereby enhancing the Company’s resilience and long-term value creation capability.	Board of Directors/ Strategy and Sustainability Committee/ Risk Control and Audit Committee	Annual ESG report

Materiality Matrix

Through the assessment process, Chery Auto has obtained the evaluation results of Chery Auto’s material topics as follows (Figure).



The assessment results indicate that 4 key issues, i.e. technological innovation and leadership, carbon management and climate change, product quality and mobility safety, and responsible supply chain, are identified as issues with “double materiality,” meaning they have significant environmental/social impact materiality as well as financial materiality.

Environmental	Social	Governance
1 Carbon management and climate change	7 Product quality and mobility safety	16 Technological innovation and leadership
2 Energy management and efficient utilisation	8 Responsible supply chain	17 Corporate governance
3 Pollution prevention and emission management	9 Employee rights and interests	18 Business ethics
4 Resource utilisation and circular economy	10 Occupational health and safety	19 Risk management and compliance
5 Water resources management	11 Employee development and training	20 Protection of intellectual property rights
6 Biodiversity	12 Information security and data privacy	
	13 Consumer service and satisfaction	
	14 Diversity and equality	
	15 Social contribution and public welfare	

Key findings and improvement

For topics identified as having double materiality, we strive to disclose relevant information in this report based on applicable disclosure standards, focusing on 4 key aspects: governance, strategy, impact, risk and opportunity management, as well as metrics and targets. Please refer to the corresponding sections for detailed information.

Issues	Value chain	Time horizon	Corresponding sections
Technological innovation and leadership	Upstream Manufacturing Downstream	Medium- and long-term	Responsible Development
Carbon management and climate change	Upstream Manufacturing Logistics End-users	Short-, medium-, and long-term	Green Commitment
Product quality and mobility safety	Upstream Manufacturing Downstream	Short-, and medium-term	Quality First
Responsible supply chain	Upstream	Medium- and long-term	Quality First

Stable Operations

Chery Auto remains firmly committed to integrity and compliant operations, guided by the principle of honesty and trustworthiness. The Company has established a sound business ethics management system, continuously strengthening internal controls and risk management frameworks. At the same time, it is enhancing data security and privacy protection capabilities to meet growing regulatory and stakeholder expectations. By actively leveraging its industry influence, Chery Auto works hand in hand with stakeholders to safeguard a sustainable and orderly business environment, ensuring the stable and coordinated development of both the company and the broader industry.

Risk and Compliance Management

Chery Auto has established a compliance and risk management system that strictly aligns with international standard ISO 37301:2021, ISO 31000 and China’s national standard GB/T 35770. The Board of Directors, as the highest decision-making body for risk governance, holds full responsibility for setting overarching strategic objectives for risk management and overseeing their implementation. The Board regularly evaluates the effectiveness of the system and pays particular attention to major ESG risks such as environmental, social, so as to climate-related issues, and ensures that internal control measures are aligned with the Company’s long-term business goals.

Under the leadership of the Board of Directors, Chery Auto has established a three-tier risk management framework comprising the decision-making, supervisory, and executive levels. This structure systematically integrates risk management and compliance requirements into the entire process of strategic decision-making and business operations. The Compliance Committee oversees risk management affairs, while individual business units are responsible for implementing compliance obligations, ensuring a clear division and reinforcement of management responsibilities at all levels.

As the final line of defense in risk management, the internal audit department adheres to the principles of independence and objectivity, and is responsible for auditing the effectiveness of the Company’s major risk management and internal control systems. In accordance with regulations such as the *Internal Audit System* and the *Internal Control Evaluation Management Measures*, we have established a tripartite audit and supervision system comprising internal audits, special audits, and external audits. In 2024, this system achieved 100% coverage of the Company’s operations, successfully fulfilled the goals of the three-year plan, comprehensively identified and managed key risks, and submitted 2 special audit reports to the Board of Directors.

To strengthen the execution of risk management, we have centred our approach on institutional frameworks, supported by streamlined processes and a digital platform, to continuously enhance the effectiveness of risk management. We have established a systematic risk management process, promoting the normalisation and refinement of risk management through the following 4 key steps:



To further deepen the practice of risk management, we have implemented the following key initiatives:

Integrated prevention and control mechanism

We have consolidated 8 supervisory functions, internal audit, compliance management, cost control, discipline inspection and supervision, legal supervision, quality inspection, unannounced inspections, and safety and environment protection, to build a cross-departmental, real-time risk information sharing platform, enabling proactive risk management.

Internal self-inspection

A regular mechanism for self-inspection and rectification has been established. In 2024, we completed comprehensive internal reviews covering more than 120 subsidiaries, forming a closed-loop management model that ensures efficient rectification of risk issues and continuously enhances organizational resilience.

Specialised audits

We conducted targeted in-depth audits and identified 456 issues, recovering losses of RMB 52.91 million and uncovering cost-saving opportunities totaling RMB 136 million. In response, we facilitated the optimization and improvement of 134 policies and processes, significantly enhancing the Company’s overall operational efficiency and quality.

Compliance maturity assessment

We carried out comprehensive assessments of compliance maturity across production sites, business units, and functional departments. The evaluation covered 7 dimensions, namely organization, policy, process, execution, risk control, and cultural development. By 2024, 35 business units were assessed, providing a solid data foundation for advancing risk management.

The Audit Centre has built an internal audit management system platform to establish a digitalised audit framework, enabling online audit operations and closed-loop management of issue rectification. The platform includes key modules such as audit planning, rectification tracking, and comprehensive analysis. Through intelligent scheduling, end-to-end task supervision, and data visualisation it improves the efficiency of audit resource allocation and ensures that rectification efforts are completed through a fully closed-loop process online. Innovative data modeling technology is also being applied to conduct remote audits across the company’s core value chain and overseas operations, overcoming geographical constraints to enable real-time global risk monitoring. This technology has improved audit efficiency by over 30% and achieved 100% coverage of the Company’s core business, effectively supporting its global operations strategy and strengthening its risk management capabilities.

In addition, on the digitalisation front of risk management, we have built an intelligent internal audit platform that enables functions such as audit planning, issue rectification, multidimensional analysis, and resource coordination. This platform has significantly improved audit efficiency and enhanced agility in risk response. Leveraging data models and cloud-based audit technologies, it facilitates real-time remote audits of core operations and overseas markets, covering key business nodes and effectively supporting the Company’s globalisation strategy.

Finally, in building a strong risk-aware culture, the Company has developed a comprehensive training system that spans the Board of Directors, senior management, all employees, and business partners. Through a variety of formats, including thematic videos, e-magazines, micro-courses, and case-based training, we have delivered targeted programmes on risk management, compliance operations, international standards, listing regulations, site management, and risk management for directors, supervisors, and senior executives. These efforts continuously enhance risk awareness and response capabilities across the organization, ensuring that risk culture is embedded into every aspect of our operations.

Tax Governance

In 2024, the Board of Directors held a special discussion on global tax liability issues, and specified that:

— Compliance commitment —

Chery Auto fully complies with local tax laws and OECD transfer pricing principles, enforcing a strict “zero tolerance” policy toward tax avoidance.

— Supervision by the Board —

Chery Auto conducts an annual review of its tax strategy and risk report, disclosing key points to the shareholders’ meeting. The Audit Committee is responsible for quarterly monitoring of significant tax risks and dispute cases.

Governance Structure and Risk Management

Level	Main responsibilities
Board of Directors	Approving tax policy, annual country-by-country report (CbCR)
Audit Committee	Supervising internal control, audit of external tax assurance, review of high-risk transactions
Department of Revenue	Formulating regulations (Tax Administration Regulations and Tax Administration Measures for Overseas Subsidiaries), implementing transfer pricing, and maintaining tax risk maps
Business & Regional Tax Team	Implementing declarations, collecting country-specific data, monitoring regulatory changes, communicating with territorial regulatory authorities

Tax risks are managed by grading based on financial impact multiplied by the probability of occurrence. Significant incidents exceeding the threshold are reported directly to the Audit Committee by the Executive Vice President in charge of finance.



Business Ethics

Chery Auto strictly complies with the *Company Law of the People's Republic of China, the Supervision Law of the People's Republic of China, the Criminal Law of the People's Republic of China*, as well as other applicable local laws, regulations, and relevant international business standards. The Company has established a series of business ethics management policies, including the *Code of Business Conduct, "Sunshine Project" Administrative Policy, Administrative Measures for Supervisory Committee, Anti-Corruption Risk Control Measures for Construction Projects, Management Regulations for Conflict of Interests, and Suppliers Code of Conduct*. These policies set clear guidelines on business practices such as commercial bribery, conflicts of interest, anti-monopoly, fair competition, intellectual property protection, and anti-money laundering, explicitly prohibiting all forms of unethical conduct that violate business integrity. Chery Auto is committed to responsible and transparent business practices and to fostering strong and ethical business partnerships.

The Internal Audit Department conducts at least one annual audit focused on anti-corruption and business ethics, covering subsidiaries and all lines of business operations.

Anti-corruption

Chery Auto has established a multidimensional integrity management system that leverages a coordinated supervision mechanism between the Discipline Inspection Committee and the Supervision Committee. This system incorporates high-risk areas such as the supply chain and contractors into focused audit scopes, enabling routine anti-corruption prevention and control. In 2024, we identified and addressed 7 internal violations, while maintaining zero concluded corruption litigation cases involving the Company or employees, demonstrating the effectiveness of its anti-corruption measures.

- We have established a comprehensive integrity commitment mechanism with full participation and clear accountability. Management is required to sign the annual *Dual Responsibility Commitment*, while employees in key positions complete the "Sunshine Project" integrity self-assessment and sign the *Personal Integrity Self-Check and Integrity Commitment Letter*. Suppliers also concurrently sign the "Sunshine Project" *Integrity Agreement*, creating a robust integrity defence throughout the business ecosystem. In 2024, the Company achieved 100% signing rate for commitment letters by 17,417 key-position employees, ensuring the full adoption of ethical business practices through contractual management.
- We have developed the integrity prevention system, "Sunshine Project • Ruidun," built on 3 key pillars: enhanced organizational structure, streamlined policies and processes, and intensified education and awareness efforts. This system establishes a long-term anti-corruption mechanism that emphasises prevention while combining punishment and deterrence. Leveraging brand-building as a strategic focus, it drives the transformation and upgrading of integrity risk management from fragmented supervision to systematic governance.
- We have established the supervision system "Sunshine Project • Ruiying," featuring a three-in-one continuous oversight mechanism of self-inspection, spot checks, and retrospective audits. This ensures comprehensive supervision coverage and a closed-loop correction process. In its first Ruiying brand inspection in 2024, the system demonstrated high efficiency with a 100% petition handling rate and 100% issue rectification completion, validating the effectiveness of the supervision framework.

Number of internal violations promptly addressed

7

Concluded corruption litigation cases

0

Number of key position employees who signed the *Integrity Commitment Letter*

17,417

Coverage rate

100 %

Petition and compliant handling rate

100 %

Issue rectification rate

100 %

Anti-conflict of interest

We have established a comprehensive conflict-of-interest prevention and control system, centred on key policies such as the *Code of Business Conduct*, *Conflict of Interest Management Regulations*, and *Employee Rewards and Disciplinary Guidelines*. The system clearly defines 6 categories of potential conflicts, including affiliated relationships, family ties, financial interests, and employment connections. It follows a five-step closed-loop process, namely disclosure, screening, review, handling, and follow-up, to ensure transparency and protect the legitimate rights of both the Company and its employees. The Audit Committee regularly reviews conflict-of-interest reports, while independent directors recuse themselves from voting on matters where personal interests are involved, with relevant records documented in meeting minutes. Supported by routine company-wide declarations and dynamic risk assessments, Chery Auto recorded 100% employee declaration coverage in 2024 and resolved 5 internal violations.

Anti-unfair competition and anti-monopoly

We have established a “fairness-first” market competition governance system, strictly adhering to domestic and international laws and regulations on anti-unfair competition and anti-monopoly practices. Fair competition is embedded as a core principle of the Company’s operations, with clear institutional and behavioral standards in place to ensure compliance, order, and long-term sustainability in market conduct. In 2024, Chery Auto fully complied with all relevant anti-unfair competition and antitrust regulations throughout its operations, with no incidents of market behavior violating fair competition principles.

Anti-money laundering and anti-insider trading

We have established a “full-chain prevention and zero-tolerance” anti-money laundering (AML) compliance system, in strict accordance with the *Anti-Money Laundering Law of the People’s Republic of China* and relevant local regulations in our operating regions. By implementing mechanisms such as business partner due diligence and transaction fund traceability, we ensure that Chery Auto only engages with legally compliant partners.

Compliance Culture

We place strong emphasis on promoting business ethics and fostering a culture of integrity, with regular training programmes tailored to different stakeholder groups. In 2024, Chery Auto launched a two-week company-wide online training programme on business ethics and compliance, covering topics such as the *Code of Business Conduct*, conflict of interest, international compliance, operational compliance, case studies and whistleblowing channel. The initiative achieved 100% employee participation, with a total of 58,693 training hours completed. As part of the company’s Business Ethics “Sunshie Project,” departments held 515 training sessions focused on anti-corruption management, integrity risk control, and accountability systems. These sessions engaged 51,853 participants, with a cumulative 1,118 hours of training delivered. For new hires, 49 onboarding sessions on business ethics and compliance were conducted, with a total duration of 49 hours. Additionally, 29 dedicated sessions were held to reinforce compliance awareness through real-life case studies, adding 58 hours. One specialized training session each was conducted for the Board of Directors and senior management, achieving 100% full coverage of the governance level. Integrity training programmes for suppliers and dealers also achieved 100% participation, further embedding a culture of ethics and compliance across the Company.



595

Business ethics training sessions conducted

Cumulative training hours

59,918 hours

Employee participation rate

100 %

1 session of specialized training for Board directors and senior management respectively

Integrity training coverage rate for the governance level, suppliers, and dealers

100 %

Whistleblower Protection

We have established a whistleblowing management system based on the pillars of “institutional safeguards, open channels, and protection with incentives.” Guided by policies such as the *Sunshine Project Management Policy* and the *Clue Handling and Case Review Rules*, this standardised framework enables both named and anonymous reporting, ensures full-process confidentiality, and facilitates prompt and professional handling of reported issues. Additionally, we have implemented a robust whistleblower protection and reward mechanism to encourage the active participation of internal and external stakeholders in supervision efforts. This system ensures timely responses to all types of misconduct reports and supports the continuous improvement of our compliance-driven business environment.

Whistleblowing management mechanism



Supervision and reporting channels and methods			
Reporting Channels	Sunshine Project	Compliance Reporting	Employee Complaints
Management Department	Discipline Inspection Office	Audit Centre	Human Resources Department
Tel	0553-5923810	0553-7526147	—
Email	yangguang@mychery.com	hegui@mychery.com	cheryhr@mychery.com
Mailing address	No.8 Anshan Road, Economic and Technological Development Zone, Wuhu City, Anhui Province, China		

Donations

Chery Auto strictly adhered to relevant internal management policies and made no direct or indirect political donations over the five-year period ending at the close of this reporting period. All decisions and implementations of charitable contributions were integrated into the Company’s ESG governance framework under the supervision of the Board of Directors, ensuring alignment with the UN SDGs and the Paris Agreement. Donation activities fully complied with the laws and regulations of the respective jurisdictions. Details including donation amounts, beneficiaries, and social impact indicators were transparently disclosed through annual reports by relevant entities, covering all business units and affiliated companies, and were subject to independent third-party audit verification.

Information Security and Privacy Protection

Chery Auto fully recognised the critical importance of information security and privacy protection, establishing them as core principles in both product development and business operations. These priorities have been integrated into the Company’s overall risk governance framework. To ensure effective governance, Chery Auto has built a first-class information security and privacy protection management system. The Digitalisation and Information Technology Committee serves as the highest supervision body in this area. Chaired by the head of the Digital Intelligence Technology Centre, the committee holds ultimate responsibility for information security and privacy protection, with the Executive Director and senior management team serving as standing members. As a deliberative body under the Company’s Operation Management Committee, the committee is responsible for coordinating the strategic planning, risk control, and execution supervision of information security and privacy protection. Its specific duties include:

- (1) Review and approve key matters related to information security and privacy protection, including strategy, annual objectives, implementation plans, and major policy disclosures.
- (2) Approve the management system covering all business scenarios for information security and privacy protection, promote the implementation of lifecycle management mechanisms for major projects, and oversee the execution of emergency response plans for security incidents.
- (3) Establish a regular supervision mechanism by holding monthly special meetings to track the implementation of relevant policies across Chery Auto’s business units,

and disclose major risk issues or information security and privacy incidents within an appropriate scope.

The Digitalisation and Information Technology Committee is jointly managed by the Digital Intelligence Technology Centre along with the Company’s core business units. Through a monthly meeting mechanism, the committee continuously reports to the Executive Management Committee (including the Executive Director), ensuring that the Board is informed of, understands, and reviews strategic matters related to information security and privacy protection. This governance structure is designed to maximise the effectiveness of information security management. In 2024, the committee reported to senior executives at the board level 11 times. Additionally, to enhance the committee’s management effectiveness, Chery Auto has linked information security and privacy protection compliance indicators to 3% of the annual performance bonuses for relevant management and key responsible personnel. In 2024, all related tasks were successfully completed, with no performance deductions applied.

Our General Principles

Lawful and Transparent

Chery Auto adheres to principles of lawfulness, transparency, and minimization in the collection and use of users’ personal data. The acquisition and utilisation of personal data are strictly limited to what is lawful and necessary.

Protection of Data Subject Rights

Chery Auto places great importance on respecting users’ data subject rights. We strictly comply with laws and regulations by informing users of the purposes and circumstances under which their personal data is collected and used, obtaining their authorised consent before doing so. Users may contact us via email at privacy@mychery.com or by phone at 400-883-8888 to request access to, rectification of, or deletion of their personal data.

Responsible Data Management

Chery Auto protects user’s data against unauthorised access, unlawful processing or transmission, as well as accidental loss, alteration, or destruction. Once the purpose for which the data was collected and used has been fulfilled, we ensure proper handling of the personal data, such as deletion or anonymisation.

Prudent Data Flow

Chery Auto requires all internal and external recipients of personal data within or without the Company to strictly adhere to authorization requirements. Data recipients are permitted to use personal data solely for the purposes for which they have been authorised.



Information Security Management

Chery Auto strictly complies with Chinese and international data protection regulations, including China’s *Cybersecurity Law*, *Data Security Law*, *Personal Information Protection Law*, as well as the European Union’s *General Data Protection Regulation* (GDPR). Under the strategic guidance of the Digitalisation and Information Technology Committee, we have systematically advanced an integrated information security system encompassing cybersecurity planning, standards development, and technical protection, and by formulating and implementing, sustainable annual information security plans, Chery Auto has consistently strengthened its enterprise data protection capabilities. Aligned with globally applicable frameworks such as the *Cybersecurity Management Guidelines*, and following the completion of targeted revisions to our *Information Security Management Guidelines and Data Security Management Guidelines* in 2024, we have established a proactive and integrated information security management mechanism. In 2024, Chery Automobile Co., Ltd obtained ISO 27001 certification for its information security management system, covering all business areas including design, research and development, production, sales, and service. This certification validates that our governance system effectively supports the development, operation, and maintenance of information systems across business domains, ensuring the continuous secure and reliable operation of the Company’s information and data assets.



In 2024, Chery Auto has obtained the ISO 27001 Information Security Management System Certification.



颁证证书日期：
证书有效期：
证书识别码：

2024年 2月 2日
2027年 2月 1日
10561478

首次颁发日期：
ISO/IEC 27001 - 2024年 2月 2日

认证证书

兹此证明下列公司之管理体系：

奇瑞汽车股份有限公司

中国, 安徽省芜湖市经济技术开发区长春路8号
统一社会信用代码: 913402007139708758
注册地址：安徽省芜湖市经济技术开发区长春路8号
通过LRQA之认证，符合下列管理体系标准：
ISO/IEC 27001:2022
证书编号：ISO/IEC 27001 – 00043317

该管理体系适用于：

信息安全管理体系覆盖整车及汽车电子电气产品的设计、研发、生产、销售及市场运营服务。支撑上述业务的信息系统研发和运营维护服务；同最新版本适用性声明保持一致（版本1.0）。



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Information Security Management Measures

Security management and review

Chery Auto has established a comprehensive risk management loop of “identification, remediation, and prevention” by clearly defining management responsibilities and review mechanisms, developing a maturity assessment model, and conducting targeted risk assessments. In 2024, the Company prioritised information security maturity assessments, achieving 100% coverage across all global production sites, including remote factories, overseas branches, and component manufacturing plants. Through the deployment of endpoint security measures, Chery Auto has implemented Data Loss Prevention (DLP) capabilities and security logging, which effectively detect abnormal data copying behaviors and enable real-time alerts integrated with daily communication tools for prompt response and handling.

Multi-tiered monitoring and handling

Chery Auto has developed a “four-level threat response” mechanism based on the Guidelines for *Cybersecurity Classification and Grading* (GB/T 22240-2020) and the *Guidelines for Cybersecurity Incident Classification and Grading* (GB/T 20986-2023). This system scientifically categorises information security incidents into 4 levels and establishes differentiated processes for alert identification, analysis and assessment, rapid containment, and precise tracing and resolution. Together, these measures enable efficient, full-lifecycle management of cybersecurity threat events.

Event	Handling mechanism
P1 Threat Event	Response within 5 minutes, risk mitigation completed within 2 hours, problems traced within 8 hours.
P2 Threat Event	Response within 5 minutes, risk mitigation completed within 2 hours, problems traced within 24 hours.
P3 Threat Event	Response within 30 minutes, risk mitigation completed within 12 hours, problems traced within 24 hours.
P4 Threat Event	Response within 30 minutes, risk mitigation completed within 24 hours, problems traced within 40 hours.

Security monitoring and testing

Chery Auto has established a comprehensive, around-the-clock, multi-dimensional proactive information security defence system. Through periodic vulnerability scans, real-time threat monitoring, and data security audits, Chery Auto has established a multi-layered defense system. This is reinforced by a verification mechanism that includes third-party penetration testing conducted at least 3 times per quarter, forming a 24/7 continuously operating security operations loop. In 2024, a total of 71 business systems underwent penetration testing, uncovering 4 critical-risk vulnerabilities, 24 high-risk vulnerabilities, and 37 medium-risk vulnerabilities. The average remediation cycle was 7 days, achieving a 100% risk mitigation rate. Throughout 2024, Chery Auto did not incur any fines or penalties resulting from information or cybersecurity incidents.

Event	Number
Information and Cybersecurity incidents	0
User personal data protection violation incidents	0
Users affected by corporate data breach	0
User information security incidents released by government regulatory agencies	0
User information security incidents released by third-party external agencies	0

Emergency management and drills

We have established an information security emergency response system. When employees identify suspicious activities, they are required to follow the reporting procedures according to the *Information System Emergency Management Protocol*, based on the classification of the incident. In addition, we have developed a regular drill mechanism grounded in regulatory frameworks such as the *Cyberattack Emergency Response Plan* and the *Malicious Software Incident Response Plan*, to ensure readiness and effective response in real-world scenarios. In 2024, Chery Auto conducted two live cybersecurity attack-defence simulations and one emergency response drill. These exercises covered core business systems and included scenarios such as remote backdoor tool uploads and internal lateral vulnerability scans. By assessing vulnerabilities and threats from both attacker and defender perspectives, we continue to strengthen our proactive defence and rapid response capabilities, ensuring business continuity is maintained without significant disruption caused by unexpected information security incidents.

Awareness enhancement and training

We have developed a company-wide, hands-on information security awareness programme designed to embed a strong security culture across all levels of the organization. This programme combines regular training sessions with simulated phishing tests to reinforce awareness and vigilance. In 2024, Chery Auto conducted 4 rounds of company-wide security awareness assessments, implemented one phishing simulation exercise, and held over 70 targeted training sessions, and about reaching approximately 60,000 employees received training participations. The phishing test click-through rate in 2024 was 12.5%. For 2025, we have set a target to reduce the phishing simulation click-through rate to below 10%.

Facilities improvement and technological upgrading

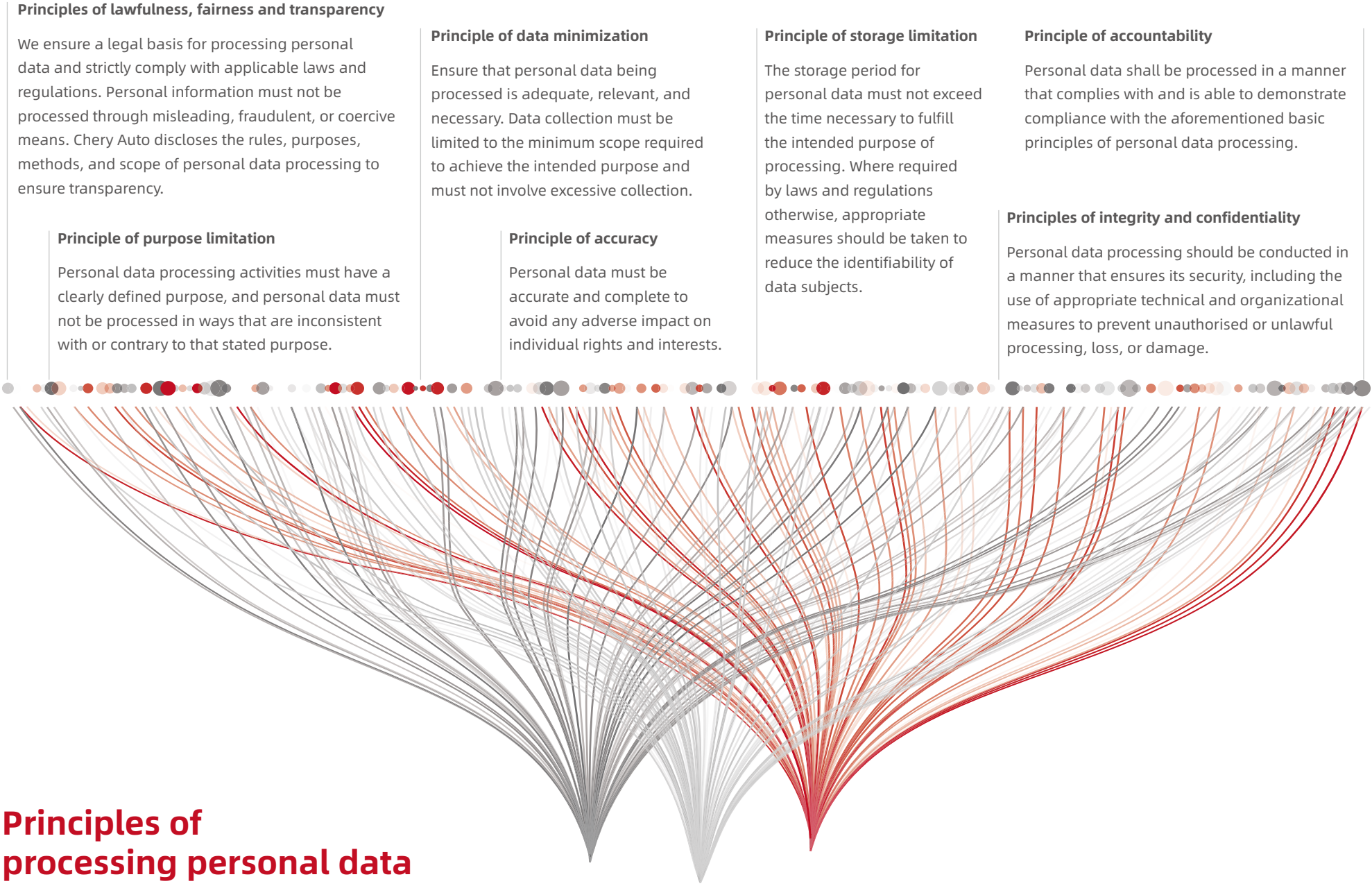
Chery Auto places strong emphasis on technology upgrades and infrastructure enhancement. In 2024, the Company launched the “Tianqiong” log management platform, the “Tianyü” endpoint management platform, and promoted the use of its industrial control security platform to strengthen enterprise security capabilities. Additionally, the Company built the “Tianwang” security operations hub, designed to support multi-platform, multi-architecture, and multi-data environments. By integrating open-source tools and connecting with the Feishu (Lark) platform, Chery Auto has automated routine security checks and alerts, and the automation rate of security operations increased from 30% in 2023 to 80% in 2024. Furthermore, by enabling seamless connectivity across endpoint management, logging systems, and security operations platforms, the Company has achieved real-time coordination and response to abnormal behaviors, significantly enhancing its overall information security level.

Note: Qi An Xin, enterprises and professionals are certified in CCSC Level I Cybersecurity Technology and CISP-IRE Emergency Response

Privacy Protection Management

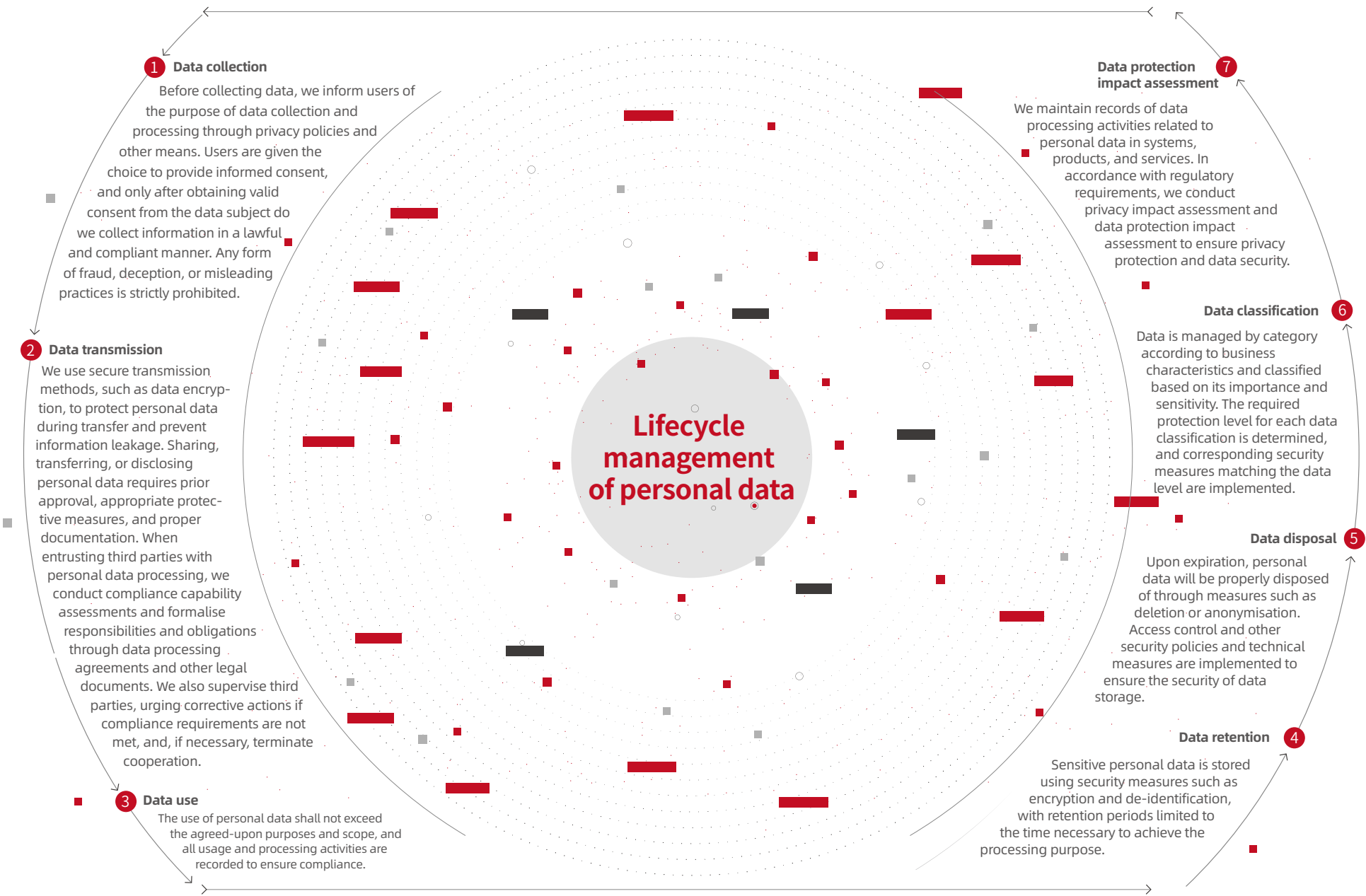
Chery Auto strictly adheres to all applicable legal and regulatory requirements by establishing comprehensive privacy policies for all relevant stakeholders, including employees, customers, partners, and suppliers. The Company has implemented an end-to-end management framework that governs the collection, storage, use, sharing, protection, rectification, and deletion of personally identifiable information. This framework ensures the responsible use of personal data and provides systematic safeguards to protect individual privacy.

Chery Auto has established a comprehensive set of data governance policies to enhance compliance and ensure responsible data management. These include *General Principles of Personal Data Compliance*, *Management Regulations on Personal Data Compliance Review and Audit*, *Data Protection Impact Assessment Management Specification*, *Management Regulations for Personal Data Compliance of Procurement and Suppliers*, *Management Regulations on the Retention and Disposal of Personal Data*. To address high-risk data processing scenarios such as data sharing, Chery Auto has implemented targeted regulations, including the *Management Regulations of Personal Data Sharing, Transfer of Control, and Public Disclosure*. These policies define clear principles for data handling and reinforce the Company's commitment to regulatory compliance. In addition, to better protect users' personal privacy and uphold their data subject rights, Chery Auto introduced the *Management Regulations for Responding to Data Subject Rights*. This policy guarantees individuals the right to access, rectify, delete, restrict processing, transfer, and withdraw consent regarding their personal data. The Company has also provided clearly disclosed contact channels, such as a dedicated email address and hotline, to ensure timely and effective responses to data subject requests.



We strengthen the management of the personal data lifecycle by integrating privacy protection into the Company's overall compliance management system and deeply embedding it within product and system development processes. We have established policies such as the *Management Regulations for Privacy by Design*, *IT System Data Compliance Development Standards*, and *Software Product Data Compliance Development Baseline*. These guidelines clearly define privacy protection requirements at critical stages of vehicle R&D and IT system development, which all development and testing personnel strictly follow. Our development process adheres to the principles of Privacy by Design and incorporates State-of-the-Art technologies to continuously enhance the privacy protection capabilities of our products and IT systems.

We regard privacy protection audits as an essential measure for the continuous optimization of our compliance system and conduct them regularly. Our privacy protection audits are divided into internal and external audits. Internal audits, guided by regulations such as the *Network Data Security Management Regulations* and the *Personal Information Protection Compliance Audit Management Measures*, focus on assessing the Company's privacy protection and data compliance system with domestic and international laws, including the *Personal Information Protection Law of the People's Republic of China* and the *EU General Data Protection Regulation* (GDPR). These audits systematically identify potential risks across the entire personal data lifecycle and provide a basis for continuous system improvement. External audits encompass compliance audits of IT systems and audits aimed at international standard certification. In 2024, we conducted both internal and external audits covering privacy compliance practices, including privacy protection policies, procedures and privacy policy compliance. Through a closed-loop issue rectification mechanism, we continuously enhanced the effectiveness of our privacy management system.



We have clearly defined baseline requirements for privacy protection and data compliance and conduct comprehensive training for all employees to raise awareness of privacy protection and data compliance. We enforce a zero-tolerance disciplinary policy toward violations, with clearly defined red lines for privacy protection and data compliance. Any breach will result in disciplinary action. For our partners, we also incorporate the privacy protection capabilities of suppliers/third parties into our pre-cooperation assessments. We clarify responsibilities and obligations through data processing agreements, and supervise and inspect the performance of suppliers/third parties. If we find that compliance management requirements have not been implemented, we urge rectification and, if necessary, terminate cooperation. In 2024, we provided basic data compliance training to all new employees and delivered targeted training based on job responsibilities, ensuring data privacy compliance requirements are well understood throughout the Company.

List of privacy protection and data compliance training

All employees Privacy protection and data compliance red lines training	Marketing employees Digital marketing compliance training
International business employees General Data Protection Regulation (GDPR) compliance training	R&D employees Special training on product R&D data compliance
Internet of Vehicles employees Internet of Vehicles data compliance training	IT employees Data compliance baseline requirements training

Supported by a comprehensive personal data lifecycle management framework and robust privacy protection measures, Chery Auto has made steady progress in its privacy protection and data compliance efforts. In 2024, the Company did not engage in secondary use of user data. In 2024, no incidents related to user data/privacy leakage, and the Company did not face any lawsuits related to the infringement of user data/privacy.



Chery Go Global Data Compliance White Paper

We actively leverage our industry leadership by deeply engaging in the development of data compliance standards. In 2024, Chery Auto took the lead in drafting and releasing China’s first *Chery Go Global Data Compliance White Paper* (<https://www.chery.cn/brandshow/privacy/>) for the automotive industry, providing compliance guidance for Chinese automakers’ global expansion.



Industry communication and recognition in the field of data compliance

Chery Auto was among the first to receive the “Anonymisation Standards Pilot Unit” certification issued by the China Academy of Information and Communications Technology (CAICT).	As a member of CAICT’s Zhuoxin Big Data programme, Chery Auto actively participates in industry communications and data compliance pilot programmes.
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Key vehicle models have passed assessments conducted by the China Association of Automobile Manufacturers and the National Computer Network Emergency Response Technical Team/Coordination Centre of China (CNCERT/CC), meeting 4 core requirements for automotive data security compliance—namely: anonymisation of external facial recognition data, default non-collection of in-cabin data, in-cabin processing of such data, and prominent notice of personal data handling. These models earned the highest “G” rating in the IVISTA Internet Intelligence and Privacy Security Evaluation.

Overseas Operations

Chery Auto embraces the philosophy of “In somewhere, For somewhere” and remains steadfast in advancing its globalisation strategy. Through a scientifically structured approach to overseas market expansion and deep integration into local industrial ecosystems, Chery Auto ensures strict compliance with the laws and regulations of host countries. The Company continues to strengthen its global operational and compliance management systems. This strategic commitment has enabled Chery Auto to demonstrate remarkable resilience and sustainable growth in an increasingly complex and volatile international environment. While delivering high-quality products and services to consumers worldwide, Chery Auto also actively supports local economic transformation and drives the upgrading of industrial value chains.

We are comprehensively advancing the standardization of overseas projects and manufacturing facilities. By implementing a localised plant manager responsibility system, we have strengthened localised management effectiveness. We conduct in-depth benchmarking against international safety regulations, rigorously controlling safety review standards for processes and equipment in both newly built and acquired projects. At the same time, we continue to optimise our occupational health protection systems, ensuring that our safety standards consistently exceed local legal requirements. We have developed standardised manuals for special operations and conduct targeted safety capability training for contractors and partners, strictly enforcing the *Overseas Project Safety Construction and Control Specifications*. A regular risk prevention mechanism has also been established, with ongoing improvement of our end-to-end production risk identification, emergency response, and rescue drill systems, thus ensuring the safe and stable operation of our global vehicle production bases.

Upon review of the 2024 operating records of Chery Automobile Co., Ltd. and its subsidiaries across various overseas jurisdictions, no instances were identified as of the reporting date (December 31, 2024) in which the Company was subject to administrative penalties or economic sanctions for violations of local laws, regulations, or supervisory requirements. According to the Company’s compliance management system audit report and the filing materials of its overseas branches, all international operations during the reporting period were in full compliance with applicable host country labor laws, environmental protection regulations, anti-bribery ordinances, and relevant international trade laws.

EU Compliance Roadmap

In 2024, we systematically developed a “precise identification and focused breakthrough” framework for overseas regulatory compliance. We conducted a comprehensive review of over 100 regulatory requirements closely related to our global operations. For 18 Acts/Regulations/Directives, including the EU’s Carbon Border Adjustment Mechanism (CBAM) and the Corporate Sustainability Reporting Directive (CSRD), we established compliance roadmaps and internal control KPIs. This framework has significantly strengthened our international management capabilities in critical areas such as labor and human rights, environmental and carbon emissions management, battery lifecycle governance, conflict minerals control, cross-border data security, and chemical compliance. It ensures Chery Auto maintains resilience and a competitive edge amid tightening global regulatory standards.

CASE

Chery Auto and Spanish EV Motors Roll Out First EBRO Model from Joint Venture Plant

In April 2024, Chery Auto signed an agreement with Spanish Auto Company-EV Motors, the parent company of the iconic EBRO brand, to establish a joint venture in Barcelona. Leveraging the strengths of both parties, the partnership aims to revive the legendary Spanish brand EBRO and restart production at the Zona Franca facility, creating over 1,250 local jobs. By the end of 2024, the first model from the joint venture, the EBRO S700, rolled off the production line, witnessed by high-level officials from both China and Spain. This milestone marks the official return of EBRO to the automotive landscape and a new chapter in Chery Auto’s global strategy. Looking ahead, Chery Auto and EV Motors will continue to deepen their presence in the Spanish market, focusing on innovation, local production, and green, low-carbon development. The joint venture will support the modernization and sustainable transformation of Spain’s automotive industry while delivering high-quality, forward-looking mobility experiences to Spanish consumers.



Intelligent Innovation

Chery Auto is guided by a development philosophy rooted in technology leadership and innovation. The company continues to expand its diverse product lineup, with a strategic focus on both new energy and intelligent technology. By building a global platform for technology sharing, Chery aims to provide high-value mobility solutions for consumers and drive progress toward a low-carbon, digital future of transportation.

Key performance

- Fully deepened the “RX 2025” technology strategy
- Invested RMB10.544 billion in R&D in 2024
- 13,310 global R&D personnel, representing over 50% of non-production staff
- To accelerate the shift to green mobility, Chery Auto launched 9 new energy vehicle models across 5 major brands throughout the year
- “Chery Golden Range-Extender System” became the industry’s first power system to receive the “Premium Drive High-Quality Range Extension” technology certification
- Launched the self-developed Xiniu Battery, completing the final piece of the new energy puzzle
- Established the Kaiyang Laboratory to bring together top global innovation resources and accelerate technological integration
- Filed 5,295 patent applications and 2,307 patents granted over the year
- The intelligent connected super factory was put into full operation, ushering in a new paradigm of intelligent manufacturing for Chery Auto

Key Topics

Innovation-driven and technology ethics

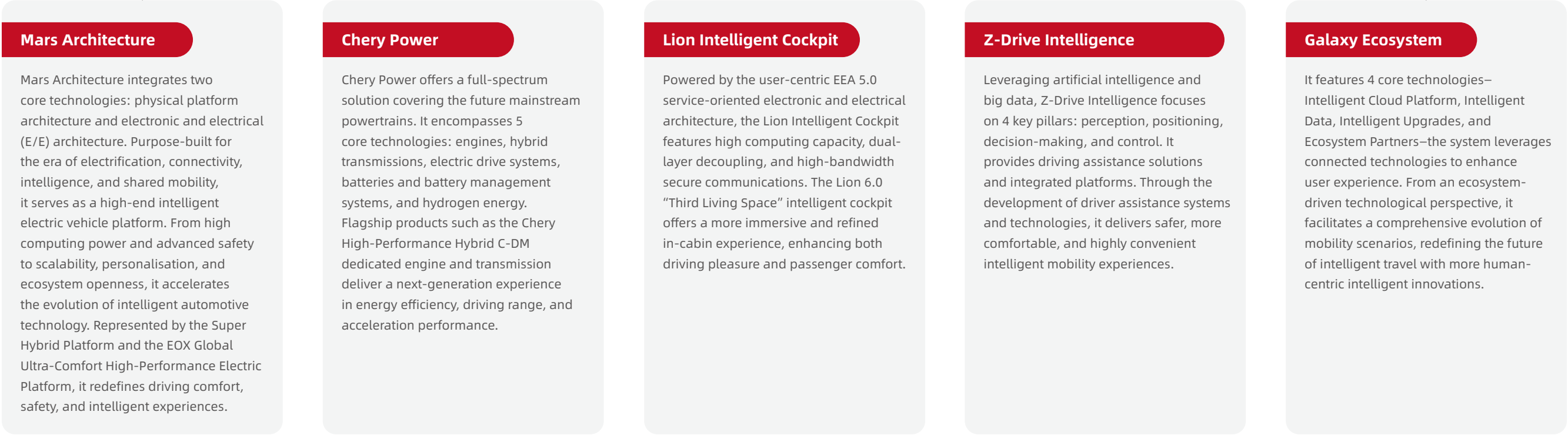


Technology Strategy

Chery Auto is firmly committed to innovation-driven development, building competitive advantages aligned with the industry’s new growth paradigm. Through sustained investment in core technologies—including vehicle architecture, powertrain systems, intelligent cockpits, driving assistance system, and digital ecosystems—we deliver exceptional mobility experiences to customers worldwide. By proactively advancing the “New Four Modernisations” of electrification, intelligent connectivity, shared mobility, and digital ecosystems, Chery Auto is accelerating its transformation and driving the high-quality development of China’s automotive industry.

In 2024, Chery Auto advanced the full-scale implementation of its “RX 2025” strategy, achieving systematic breakthroughs across 5 core technology areas: vehicle architecture, powertrain systems, intelligent interaction, driving assistance system, and digital ecosystems. Building on two years of accumulated technological progress, Chery Auto developed more than ten key innovations, including next-generation battery technologies, AI models for driving assistance system, intelligent cockpit systems, and forward-looking mobility concepts. These achievements have enabled the Company to establish a complete innovation value chain from R&D to application, supporting China’s automotive industry in its journey toward global technological leadership.

“RX 2025” – The forward-looking technology strategy



CASE

2024 Chery Global Innovation Conference Themed on “Technology Empowers the Future”

In October 2024, Chery Auto hosted its Global Innovation Conference in Wuhu, bringing together over a thousand distinguished representatives from government, academia, and industry. Held under the theme “Technology Empowers the Future,” the event showcased Chery Auto’s breakthrough advancements across all dimensions of technological innovation. During the conference, Chery Auto unveiled its next-generation driving assistance solution, accelerating the commercialisation of driving assistance technologies. The Company also launched a new benchmark for intelligent cockpits featuring the Lion. AI large model, delivering a significant leap in intelligent human-vehicle interaction through deep AI integration. In addition, a new battery technology was introduced as the latest member of the Chery Power brand matrix, further enriching Chery Auto’s new energy technology portfolio and underscoring the Company’s continued breakthroughs in electrification.



Innovation Achievements

Guided by the core philosophy of “Technology Shapes the Future,” Chery Auto is deeply investing in both electrification and intelligent mobility. By building cross-industry technology innovation alliances, we continue to expand and refine our portfolio of intelligent products. We are accelerating breakthroughs in core technologies and their industrial applications, with the goal of becoming a globally influential provider of intelligent mobility solutions. At the same time, Chery Auto advances a systematic AI governance framework aligned with international standards such as the World Economic Forum (WEF) Digital Trust Framework and ISO/IEC 23894 *Information Technology—AI—Guidance on Risk Management*. This framework encompasses the full lifecycle of AI development and application, covering intelligent cockpits, driver assistance, user recommendations, and quality prediction systems.

Embracing Green Mobility

Chery Auto continues to strengthen its strategic deployment in new energy technologies, focusing on 3 core directions: advancing iterative innovation in hybrid powertrains, accelerating the R&D and industrial application of next-generation battery technologies, and expanding its portfolio of battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs). By developing more efficient and environmentally friendly technological solutions, we are committed to offering global consumers a diverse range of electric mobility options that deliver long driving range, outstanding energy efficiency, and reduced carbon emissions.

Chery Auto adheres to a flexible development strategy of “petroleum-electric synergy and integrated strengths,” adopting a multi-brand, differentiated approach and advancing a diversified portfolio of technologies, including hybrid, REEV, battery electric, and hydrogen-powered solutions. Leveraging its long-standing expertise in internal combustion engines to strengthen hybrid offerings, and capitalising on its latecomer advantages in pure electric technologies to launch high-performance EVs, Chery Auto delivers optimal mobility solutions tailored to diverse countries, markets, and user needs—resulting in a series of well-received flagship products. In the hybrid segment, the Chery Fulwin series focuses on electric hybrid

powertrains, with the successive launch of models such as Fulwin A8, T9, and T10, meeting the growing demand for diversified travel options. The EXLANTIX series, positioned as Chery Auto's premium new energy vehicle series, has fully entered the battery electric and REEV dual tracks. Its flagship models, the EXLANTIX ET and ES, have gained strong popularity for their superior product performance. JETOUR Shan Hai is committed to becoming a leader in hybrid off-road vehicles. Following the launch of the Shan Hai T2, which quickly rose to the top in sales among hybrid box-style SUVs, the brand continued to break records. In October 2024, it officially launched the Shan Hai T1, a plug-in hybrid SUV positioned as a light-duty off-roader.

In 2024, 9 new NEV models were launched, BEV models include the LUXEED R7, EXLANTIX ET, iCAR V23, and iCAR 03; and Hybrids include Fulwin T9, Fulwin A8, Shan Hai T1, Shan Hai T2 and EXEED RX hybrid edition.

For more information on Chery Auto’s layout in clean technology, please refer to the chapter “Green Commitment”.

Average power consumption of BEV models in 2024

12.96 kWh/100km

China-CLTC

16.58 kWh/100km

EU-WLTP

Average power consumption of BEV models in 2024	Unit	2021	2022	2023	2024
China-CLTC	kWh/100 km	9.63	9.35	9.91	12.96
EU-WLTP	kWh/100 km	N/A	N/A	N/A	16.58

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. From 2021 to 2022, the Company’s BEV models were not available in the EU market.

CASE

EXEED EXLANTIX ET, a Pure-Electric SUV with Ultra-Long Range

The newly launched EXLANTIX ET, a pure-electric SUV under Chery Auto's EXEED brand, is redefining the EV driving experience through 3 core technologies: driving assistance system, ultra-long range, and ultra-fast charging. Equipped across all variants with the Falcon 700 system, the vehicle integrates a 126-line high-precision LiDAR array, 30 high-performance environmental perception sensors, and an AI-powered computing platform. This enables advanced functions such as urban/highway NOA assisted driving and full-scenario automated parking. Together with an intelligent voice assistant, the EXLANTIX ET delivers a seamless and immersive human-vehicle interaction experience.



CASE

Fulwin T10 Sets Guinness World Record for Longest Distance Driven by a Plug-in Hybrid SUV without Refueling

On July 17, 2024, the CHERY Fulwin T10, equipped with the C-DM plug-in hybrid system and a three-speed DHT transmission, completed an extreme endurance challenge, driving 2,169.641 kilometers from Shangri-La to Zhuhai without a single recharge or refuel. The feat set a new Guinness World Record for the "Longest Distance Driven by a Plug-in Hybrid SUV Without Refueling."

This performance surpassed the previous record by more than 300 kilometers. More importantly, the journey took place in demanding real-world conditions, including high-altitude terrain and temperature swings of 20°C between day and night. The success demonstrated the comprehensive advantages of Chery Auto's C-DM Super Hybrid Power technology in range, efficiency, and reliability, offering global consumers a truly practical and low-energy travel solution.



Golden Range Extender: Self-developed Powertrain System

With over two decades of dedicated innovation, Chery Auto has built a globally leading hybrid technology framework driven by 3 core pillars: end-to-end control of key technologies, safety-first standards that redefine the industry, and open-source ecosystem development through global collaboration. The independently developed “Chery Golden Range-Extender System” C-EM100 has successfully passed a series of tests conducted by the China Automotive Technology and Research Centre New Energy Vehicle Testing Co., Ltd. (CATARC-Tianjin). These tests covered power performance, energy efficiency, power safety, electromagnetic compliance, and noise levels. The C-EM100 met the performance criteria for “high-quality range extenders” and was awarded the Premium High-Quality Range Extender Certificate (Certificate No. 2025PRE01-CEM100).

Five dimensions of verification: “Golden Range-Extender System” achieves high-quality performance



Power

It delivers 90% of peak power continuously across the full speed range, ensuring both instant acceleration and long driving range.



Energy-efficiency

Achieves over 85% system efficiency in the primary operating range of the drive motor, and the range extender’s fuel-to-electric conversion efficiency ranks among the best in the industry, delivering a tangible low-energy consumption experience for users.



Power safety

Validated through comprehensive failure-mode test cases under critical driving scenarios.



Electromagnetic compliance

Near-field low-frequency emissions are less than twice the allowable standard limits, while far-field high-frequency radiation levels outperform regulatory thresholds.



Noise level

The A-weighted sound pressure levels during steady-state and idling conditions are significantly below the regulatory limits.

CASE

EXEED EXLANTIX ET REEV AWD Completed World’s First 37.82° Slope Climb

On December 19, 2024, the all-new EXLANTIX ET REEV All-Wheel Drive (AWD) completed the world’s first 37.82° slope climb at the Big Air Shougang ramp in Beijing’s Shougang Park. The ramp, originally built for the Winter Olympics, stands 60 meters high and stretches 164 meters long. Historically, 37.5° slope challenges were attempted only twice—in Kaipola, Finland, in 1986 and 2005, setting a benchmark that had remained unchallenged for nearly two decades. The EXLANTIX ET not only broke that record but did so under even harsher conditions and on a steeper incline. Powered by 3 cutting-edge technologies—Golden Range-Extender System, Snow Leopard AWD system, and Falcon Integrated driving assistance system—the EXLANTIX ET demonstrated exceptional performance and engineering excellence. The feat represents a milestone in Chery Auto’s pursuit of technological leadership, marking a shift from paying tribute to European luxury brands to surpassing them.



Intelligent Driving Assistance Technology

Chery Auto continues to make groundbreaking strides in the field of intelligent connectivity, leveraging its strong technological foundation and robust R&D system to optimise advanced driving assistance system and next-generation digital cockpit solutions. Through the Z-Drive Intelligence platform, Chery Auto has built a comprehensive intelligent driving technology architecture, offering full-stack assistance solutions ranging from mid- to high-level across its passenger vehicle lineup. By the end of 2024, all models equipped with this system met the active safety standards of major global markets. The newly developed Falcon system introduces an innovative end-to-end AI framework integrated with a multi-sensor fusion approach, enabling centimeter-level environmental perception and millisecond-level decision-making. This forms a seamless safety shield around the vehicle. The Falcon Pilot system includes 3 distinct product lines and is scheduled to roll out across more than 30 signature models by 2025.

iCAR V23

The iCAR V23 is equipped with the Falcon 500 system, featuring 23 driving assistance functions including Navigate on Autopilot (NOA), City Memory Navigation, and Memory Parking, delivering a high-quality driving experience for users.



CHERY Fulwin A9L

The Chery Fulwin A9L comes with the Falcon 700 system, which integrates end-to-end driving assistance technologies to seamlessly support highway navigation, complex urban traffic scenarios, and multi-scene parking, providing intelligent protection for users' safe journeys.



JETOUR Zongheng G700

Building on the Falcon 700 system, the JETOUR Zongheng G700 is equipped with the industry's first all-terrain off-road navigation system—Falcon 700s. This enables intelligent off-road assistance and navigation across diverse terrains, ushering in a new era of intelligent off-road mobility.



Safeguarding Your Well-Being on the Road with Intelligent Healthy Cabin

Chery Auto focuses on both visible and invisible details in its healthy cabin. Guided by the philosophy of “Technology Safeguarding Health at Every Journey,” Chery Auto has developed an industry-leading, holistic intelligent cabin solution designed to protect passenger well-being across every dimension of travel.

CASE

EXEED RX Earns Top Five-star Rating in the “China Automobile Health Index”

The “China Automobile Health Index (C-AHI),” developed by China Automotive Engineering Research Institute with professional guidance from the International Academy of Traffic Medicine, has become one of the most authoritative vehicle health assessment standard in China. This evaluation framework innovatively incorporates 3 core indicators—Volatile Organic Compounds (VOC), Odor Intensity (VOI), and Electromagnetic Radiation (EMR)—alongside two observational metrics: Particulate Matter (PM) and Allergen Risk (VAR). It simulates real-world usage scenarios through multiple conditions such as ambient temperature, high temperature, and ventilation. On March 25, 2024, the latest assessment results were released, and EXEED RX emerged as the only model in its batch to achieve a full five-star rating. The model stood out for its use of environmentally friendly interior materials and exceptional craftsmanship, passing stringent market-based procurement testing. Notable scores included 90.0 for VOC and odor intensity, 90.9 for EMR, 90.4 for particulate matter, and 91.1 for allergen risk (out of a maximum of 100 points per item). These outstanding results demonstrate Chery Auto’s continued technological leadership in delivering intelligent, health-conscious mobility solutions.



CASE

LUXEED S7 Wins the “Five-Star Healthy Car” Award

On November 28, 2024, the “2024 Healthy Vehicles and Indoor Air Quality Management Innovation Forum” was held in Guangzhou, where the LUXEED S7 earned the prestigious “Five-Star Healthy Car” certification under the China Automobile Health Index (C-AHI) for its outstanding performance. Favored by younger consumers, this luxury intelligent model received five-star ratings across 3 core dimensions: clean air, health protection, and green mobility. The vehicle’s rigorous health standards are particularly noteworthy: it employs a meticulous material selection strategy involving 22 major systems and 192 individual parts, and has undergone over 10,000 tests for odor and volatile organic compounds (VOCs). Its VOC technical targets are 15 times stricter than national standards, and actual whole-vehicle VOC test results exceeded national requirements by 10 to 110 times. The air quality inside the car significantly surpasses both indoor and in-vehicle air quality standards. All parts in contact with the human body are completely free of carcinogenic polycyclic aromatic hydrocarbons (PAHs), while heavy metal levels are lower than the highest-grade national ecological textile standards. The cabin materials are non-allergenic, with antibacterial and anti-mite rates of ≥99%. Regarding electromagnetic radiation, LUXEED adheres to corporate standards far stricter than national regulations – under all operating conditions, radiation levels are more than 90% below the national limits. These groundbreaking achievements demonstrate LUXEED’s brand commitment to safeguarding health through technology.



Xiniu Battery Powering the New Energy Mobility Revolution

In 2024, Chery Auto officially launched its self-developed battery technology brand, marking a significant breakthrough in its mastery of core new energy technologies. The brand introduces a four-in-one battery technology system built around ultra-fast charging, extended range, long-term durability, and multi-layer safety protection, substantially enhancing the core competitiveness of Chery Auto’s new energy vehicle lineup. The battery product series encompasses 3 mainstream technological paths. The first is high-safety prismatic lithium iron phosphate (LFP) batteries, with an energy density ranging from 120 to 160 Wh/kg. These support pure electric driving ranges of 200 to 600 kilometers, and 100 to 200 kilometers for plug-in hybrid or REEV applications. The second path features high energy-density prismatic ternary lithium batteries in the development phase, offering between 140 and 200 Wh/kg, enabling pure electric ranges of 600 to 800 kilometers and 150 to 300 kilometers in plug-in hybrid or REEV modes. The third is an innovative large cylindrical ternary lithium battery structure, with an energy density of 140 to 240 Wh/kg, supporting ranges of 700 to 1,200 kilometers for pure electric models and 150 to 300 kilometers for plug-in hybrid or REEV versions. By offering diversified battery solutions across multiple technological platforms, Chery Auto aims to meet the evolving needs of a broad spectrum of users in the new energy vehicle market.

In addition, we have launched solid-state battery R&D, continuing to strengthen investment in battery technology research and development.



Fast Charging

Supports up to 6C ultra-fast charging, enabling a 5-minute charge to add over 400 km of driving range.



Ultra-Long Range

In plug-in hybrid electric vehicles (PHEVs) and range-extended electric vehicles (REEVs), the battery enables over 300 km of pure electric range; in battery electric vehicles (BEVs), it supports over 1,200 km of pure electric range.



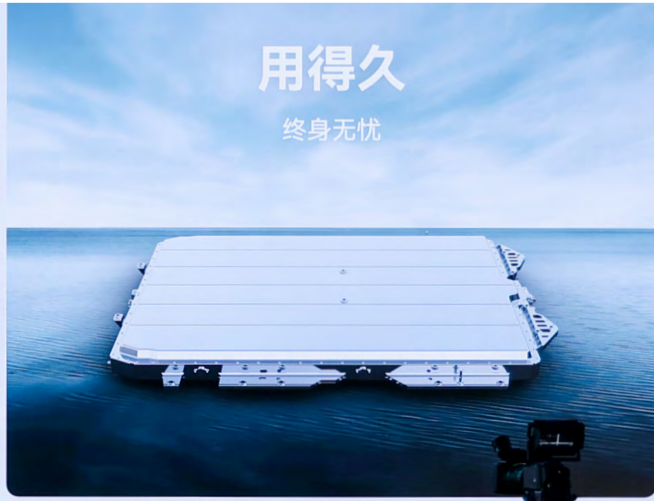
Long-lasting Durability

Incorporates technologies such as intelligent thermal management and cell self-sleep passivation, extending battery lifespan by 20% compared to the industry average.



Strong Safety Performance

The battery cells feature triple resistance capabilities—charge-resistance, heat-resistance, and pressure-resistance—ensuring outstanding durability under extreme conditions. The battery pack adopts a multi-section energy-absorbing structure, a six-layer underbody protection design, a surrounding anti-collision architecture, and a proprietary multi-force dispersion technology, effectively minimizing impact forces on the power battery in the event of a collision. It has undergone over 50 crash scenarios, guaranteeing zero thermal runaway and no propagation.



Lean R&D

Chery Auto has built an integrated innovation system spanning “basic research–applied development–industrial transformation,” creating a closed-loop R&D process that covers the entire technology lifecycle and systematically supports technology evolution and product iteration. As the core engine of the Company’s innovation and development, the R&D system not only underpins future business layouts such as new energy and intelligent connected vehicles but also deeply integrates with ESG topics including low-carbon development, supply chain resilience, and safe mobility, continuously unlocking value creation potential.

The Company continuously strengthens investment in R&D talent and incentive mechanisms by implementing a dual-driven strategy of “recruiting top-tier experts + cultivating internal key personnel” to build a diverse R&D team with an international outlook. We have established a scientific talent evaluation system, coordinated with mid-to-long-term incentive plans. By the end of 2024, the global R&D workforce exceeded 13,310 employees, accounting for more than 50% of all non-production employees. The average annual dedicated training hours per employee exceeded 45 hour/person, with content related to cutting-edge ESG topics increasing steadily at a three-year compound annual growth rate of 10%. Over 30% of R&D personnel are covered by long-term incentive programmes, and the Company plans to further expand this coverage to unlock greater innovation potential among its talent.

By the end of 2024, Chery Auto has multiple national-level innovation platforms:

- National-level Enterprise Technology Centre
- National Engineering Research Centre of Vehicle Energy Conservation and Environmental Protection
- National Energy Conservation and Environmental Protection Vehicle Engineering Technology Research Centre
- National-level Industrial Design Centre

R&D Ecosystem

Kaiyang Lab

Kaiyang Lab officially commenced operations in 2024, forming a technology innovation consortium oriented around “industry-driven demand, academic research support, and R&D commercialisation.” It implements a “1+5+N” three-dimensional collaborative architecture: one central platform at the core, 5 specialised functional centres (resource integration, technology breakthroughs, project management, industrial transformation, and capital operations), and an extended network of international industry-academia-research alliance. This architecture has effectively enhanced the company’s research capabilities and the efficiency of technology transfer and commercialisation in frontier technology fields, concentrating on strategic areas such as intelligent driving and low-altitude economy. In 2024, the laboratory realised breakthrough achievements

including the “Falcon System,” “FlyEye Onboard Drone System,” and the “Tri-Modal Compound Wing Configuration Flying Car,” fueling the development of a new mobility ecosystem.

Stellar Lab

Stellar Lab focuses on high-value technology innovation. Centred on interdisciplinary fields such as intelligent connectivity, future transportation, driving assistance system, and metaverse experiences, it builds a multidisciplinary cross-innovation platform that continuously drives technology accumulation, standards development, and social impact.

Global R&D network

Regarding the global R&D network, the Company has set up 8 international research centres across 5 major regions: China, Europe, America, West

Asia, and others, forming an innovation network characterised by “global collaboration and local adaptation.” The platform covers core technology areas including vehicle powertrains, materials and lightweighting, health and environmental protection, driving safety, and intelligent cockpits. Furthermore, through the “National Engineering Research Centre of Vehicle Energy Conservation and Environmental Protection,” the only such centre recognised by China’s National Development and Reform Commission, the Company conducts forward-looking research and policy engagement, actively participating in industry standards formulation and building global green development influence.



In 2024

Annual number of patent applications

5,295

Annual number of authorised patents

2,307

Total cumulative number of patents by the end of 2024

13,700+

Intellectual Property Management

Chery Auto regards its intellectual property (IP) strategy as a core pillar of the Company’s innovation and development. The Company has built a dual-driven protection system based on “legal compliance + strategic operation.” Strictly adhering to China’s national IP laws, including the Patent Law of the People’s Republic of China, Copyright Law of the People’s Republic of China, and Trademark Law of the People’s Republic of China, Chery Auto implements a “strong protection” and “extensive operation” IP management strategy. By establishing a comprehensive IP risk control mechanism that covers the entire R&D process, Chery Auto not only strengthens the protection of its independent innovation achievements but also uses patents as a link to promote collaborative innovation across the industry chain. This approach fosters an IP value community jointly built with suppliers and partners, achieving 3 key goals: optimised patent layout, joint development of technical standards, and shared commercial value.

| Systematic protection

Chery Auto continuously optimises its intellectual property management system by formulating a series of institutional documents, including the *Intellectual Property Management Policy*, *Patent Management Policy*, and *Trademark Application Monitoring and Operation Guidelines*. These regulations clearly define the standardised processes for the entire lifecycle of IP application, operation, and protection, ensuring the safeguarding of innovation achievements while preventing commercial leaks.

| Regular prevention and control

Chery Auto places strong emphasis on patent risk management, making patent risk screening a key indicator in the entire vehicle development process. R&D personnel are required to conduct comprehensive patent searches before filing applications, with the Legal and Intellectual Property Centres jointly performing risk assessments. In 2024, we expanded our intellectual property risk control by partnering with suppliers to establish a patent risk screening system that covers the entire industry chain, thereby reducing infringement risks.

| Value-based application

Leveraging its strong R&D capabilities, Chery Auto is actively exploring the path of “technology export” by launching open-source intellectual property (IP) initiatives. Through the promotion of open patent licensing, the Company aims to enhance the efficient utilisation of proprietary IP, expand the technological supply across the industrial chain, and ultimately maximise the value of its intellectual property assets.

| Professional management

Chery Auto has established the Patent Incentive Guidelines to stimulate creativity and innovation across its talent base. The Company continues to strengthen its professional capabilities in intellectual property (IP) management by encouraging employees to obtain relevant certifications. By the end of 2024, Chery Auto boasts one nationally recognised IP leading talent, two members of the National Top 100 High-Level IP Professionals, and two experts listed in the expert database of the China National Intellectual Property Administration.

| Open communication

Chery Auto has joined different national, provincial, and municipal intellectual property (IP) associations, actively participating in the establishment of IP alliances and operation Centres to build an open and collaborative IP ecosystem. In 2024, the Company took part in a wide range of IP-focused exchange activities, including international patent portfolio development, IP protection and utilisation, industry alliances, and trade secret protection. Through these engagements, Chery Auto shared its IP management practices and insights with industry peers, contributing to the creation of a high-quality development platform for the sector.

Intelligent Manufacturing

In response to the accelerating shift toward electrification, connectivity, intelligence, and decarbonisation in the automotive industry, we adhere to the guiding principle of “digital-driven + intelligent operations,” striving to become a benchmark in intelligent manufacturing that excels both in resource utilisation efficiency and product quality.



Intelligent system

We have established “Operation Control Towers” across our vehicle production bases, encompassing planning, manufacturing, quality, energy, and safety, supported by a data warehouse to realise a comprehensive digital system that vertically connects the production floor and horizontally integrates business processes. The energy management module lays a solid foundation for improving energy efficiency and reducing carbon emissions through real-time monitoring, diagnostic analysis, and closed-loop optimisation. Leveraging technologies such as distributed systems and columnar databases, we enable second-level querying of electrically inspected faulty vehicles and daily analysis and visualisation of connected vehicle data, continuously strengthening our real-time control capabilities over product quality and operational risks.



Application of AI technology

At the manufacturing sites, AI vision and IoT technologies are applied to processes such as wiring harness connection inspection, post-welding floor assembly, and final assembly oil drip detection. Combined with deep learning algorithms, these technologies provide decision support for quality traceability and fault prediction. At the production scheduling level, intelligent scheduling algorithms dynamically balance equipment loads to improve overall equipment efficiency. In logistics, AI-driven demand forecasting and route planning models help precisely match material requirements, reducing unnecessary transportation and energy consumption.



Industrial Internet platform and transparent operations

We are continuously upgrading our industrial internet platform with goals of high security, stability, and performance. This enables full-stack connectivity among underlying equipment, control systems, manufacturing execution systems, and enterprise resource planning systems. Real-time collection of production data streams allows us to identify and quantify risks such as “energy consumption fluctuations” and “supply chain interruptions.” During the reporting period, no major production line stoppages occurred.



Green and intelligent manufacturing factory

Our “super factories” in Wuhu and Qingdao have fully integrated the above platforms and technologies. The Qingdao factory, recognised for its excellence in flexible customisation, per-vehicle cost control, and safe production, was awarded the title of “Benchmark Intelligent Factory in China’s Automotive Industry” by the China Association of Automobile Manufacturers. The Wuhu Intelligent Super Factory logistics park was shortlisted among Anhui Province’s first batch of planned net-zero carbon industrial parks due to its innovative practices in “carbon emissions reduction at the source, carbon emission reduction by circular economy, and digital-intelligent carbon control.” These milestone achievements underscore our industry influence in green manufacturing and low-carbon operations.

Industry Development

Chery Auto has established a dual-engine development model driven by “standards leadership + ecosystem collaboration,” playing a central role in both industry standardisation and open innovation. We are deeply involved in the development of both international and domestic industry standard systems, leading or participating in the formulation of over 100 technical standards. At the same time, we are building a global R&D resource network platform to enable “triple-integration” collaborative innovation with top universities, national-level research institutes, and core suppliers, fostering a new development model of joint technology research, shared outcomes, and mutual prosperity across the industry.

Play a leading role

As a core member of national industry organisations such as the China Association for Quality and the China Society of Automotive Engineers, Chery Auto fully leverages its role as a leading enterprise to drive industry progress. By actively participating in specialised platforms like the International Innovation Alliance of China Automotive Enterprises and the ESG and Social Responsibility Committee of the China Association of Automobile Manufacturers, we continuously contribute policy recommendations and technical standards, promoting the establishment of a more comprehensive industrial development ecosystem.

Promote standard development

We actively engage in the development of the automotive industry standardisation system by leading and collaboratively advancing the formulation and iterative upgrading of national, industry, and group standards, thereby establishing a solid technical framework to support the high-quality development of the industry. In 2024, as a core contributing member, we participated in the development of the group standard titled *Guidelines for Assessing the Maturity of Enterprises in Achieving the United Nations Sustainable Development Goals*, which carries an international perspective.

Strengthen industry-research cooperation

We have established a deeply integrated innovation ecosystem combining industry, academia, research, and application by forming strategic partnerships with top universities such as the University of Science and Technology of China, Zhejiang University, and Anhui University. Through the joint creation of eight collaborative innovation institutes, we focus on breakthroughs in energy-saving and carbon emission reduction technologies as well as the development of intelligent cockpit systems. This forms a complete innovation chain from fundamental research to industrial application, enabling efficient transformation and commercialisation of technological achievements.

Deepen communication and exchange

We have built a global industry collaborative innovation network by organizing and participating in internationally influential industry summits, technical forums, and other communication platforms. Through these channels, we systematically advance deep dialogue across 3 key areas: technological innovation, industrial upgrading, and business model transformation. Committed to establishing an open and shared knowledge exchange mechanism, we promote cross-industry experience sharing in cutting-edge fields such as intelligent connected vehicles and new energy, continuously optimizing the industrial development ecosystem.

CASE

Chery Auto Partners with Industry Leaders to Launch the “Sustainable Materials Laboratory”

In September 2024, in collaboration with leading enterprises across the supply chain, Chery Auto hosted the launch ceremony of the “Sustainable Materials Laboratory.” Official plaques were awarded to specialised labs focused on recycled aluminum, recycled steel, recycled plastics, recycled oil. Raw material decarbonisation is a key lever for reducing emissions throughout the entire automotive lifecycle. By the end of 2024, the laboratory had initiated 5 core technology research projects, led 15 key industry research initiatives, and developed 27 proprietary innovations, significantly enhancing Chery Auto’s lifecycle management capabilities in the field of low-carbon materials.



Quality First

At Chery Auto, we firmly believe that true excellence lies not only in advanced product technology, but also in a deep commitment to user value, social responsibility, and a sustainable future. We are building a value-driven system where trust shapes our brand and quality powers our growth. With rigorous standards guiding our manufacturing, end-to-end responsibility reinforcing product safety, and systematic management driving service evolution, we strive to lead with integrity and innovation. Through a forward-looking approach, we are also shaping a green and resilient supply ecosystem, consistently delivering the professionalism, confidence, and reliability that define China’s automotive brands on the global stage. This relentless pursuit of excellence is reflected not only in the precision of every vehicle we produce, but also in our respect for consumers, our partnerships with suppliers and dealers, and our enduring responsibility for the future of sustainable mobility.

Key performance

- CHERY ranked No. 1 among Chinese domestic brands in the 2024 J.D. Power China Initial Quality Study (IQS)
- With 41 models earning global “Five-Star Safety” certifications, Chery Auto holds the most NCAP five-star ratings of any Chinese automakers
- Chery Auto hosted the 2nd Chery International User Summit under the theme “FOR US, FOR FUTURE,” and had direct communication with global users
- 100% Tier-1 suppliers have signed the *Supplier Code of Conduct*, with over 1,600 hours of supplier training delivered
- 105 senior executives of suppliers participated the ongoing “Partnering with Outstanding Suppliers” programme
- A total of 2,428 dealer training sessions were conducted throughout the year, engaging 6,159 dealers

Key Topics

- Product quality management and assurance
Mobility safety
Consumer service and satisfaction
- Sustainable supply chain
Responsible marketing



Excellent Quality

Chery Auto upholds the core philosophy that “quality is the lifeblood of the brand,” setting “zero defects” as the baseline standard for product delivery. The Company is committed to building a comprehensive quality governance system that spans the entire product lifecycle. With a customer-centric approach, Chery Auto leverages digital capabilities to transform R&D, manufacturing, delivery, and service processes, creating an intelligent, efficient, and verifiable quality management loop. This ensures the delivery of high-performance, highly reliable, and exceptionally safe mobility solutions that exceed expectations for consumers worldwide.

Quality Management System

Chery Auto has embedded quality control into its core corporate strategy, firmly upholding the principle of “quality first” and the development philosophy of winning through quality. Led directly by the Chairman, our Quality Promotion Committee oversees quality strategy and system development, enforces a “one-vote veto” policy for product quality issues, and sets clear five-year quality development goals to ensure strategic alignment and effective execution. Guided by the principles of “quality control across the full value chain, guaranteed user experience across all scenarios, and full-process risk traceability,” Chery Auto is upgrading its traditional product-focused quality management system into a comprehensive, all-element ecosystem.

Innovative technologies in quality management

Chery Auto has enhanced vehicle quality and reliability through the innovation of end-of-line testing technologies. By simulating extreme conditions, the Company conducts comprehensive multi-dimensional testing, including full-vehicle electrical aging tests, dynamic road simulations, intensified road durability tests, and ongoing reliability testing (ORT). This intelligent inspection system leverages real-time data analytics to rapidly detect and intercept early-stage defects across electrical, powertrain, mechanical, and manufacturing processes. As a result, it effectively mitigates quality risks, significantly improves product consistency and safety, and continues to elevate the standards of full-vehicle manufacturing quality.

In 2024, we achieved the following milestones:

System upgrade

We integrated international standards such as new energy safety, cybersecurity (UN R155), software upgrade (UN R156) and A-SPIICE, establishing a tri-layered quality management system covering hardware, software, and services.

Process integration

By streamlining both forward and reverse workflows, we optimised and updated 73 quality management protocols, including the *Vehicle Delivery Quality Certification Management Standard*, to better support intelligent manufacturing, overseas markets, and evolving regulatory requirements. Additionally, we introduced 23 new management documents to create a closed-loop quality control system across the entire business chain.

Third-party verification

All global operating entities successfully passed quality management system supervision audits (IATF 16949 or ISO 9001). All vehicle production bases have achieved certification under the ISO 45001 Occupational Health and Safety Management System, and 85.7% have passed the ISO 14001 Environmental Management System audit, with a target of reaching 100% by 2025. In 2024, industrial park Phase II passed the MIIT production qualification review, as well as IATF 16949 & ISO 9001 quality system audits by TÜV Rheinland, and the CCC (China Compulsory Certification) product audit by CCAP (China Certification Centre for Automotive Products).

Quality Risk Management

Chery Auto has formally integrated quality risk into its annual risk assessment framework. Through high-frequency monitoring indicators, such as failure rates per thousand vehicles, vehicle defect loss rates, and after-sales customer satisfaction, as well as a multi-channel issue detection mechanism, we have established a full-cycle response process covering anomaly identification, temporary control, root cause analysis, and knowledge retention. Critical quality incidents are included in the Chairman-led Quality Promotion Committee’s supervision to ensure closed-loop management and accountability.

Quality consistency management

To ensure product consistency and regulatory compliance in emissions, Chery Auto has established a closed-loop quality monitoring system based on the “Test-Analyse-Control-Correct” framework. Leveraging both in-house laboratories and independent institutions, including CATARC Tianjin, the Shanghai Testing Centre, and China Merchants Chongqing, we conduct emissions and energy consumption tests on both mass-produced and in-use vehicles, under both regulatory cycles and real-world driving conditions. These tests cover samples with varying service years and mileage. All key performance indicators, including vehicle efficiency, carbon emissions, and fuel/energy consumption, are validated against certified values through consistency checks and deviation analyses. In the event of any discrepancies beyond allowable limits, related production batches are immediately suspended and corrective actions are launched. Test results are reported quarterly and annually to regulatory bodies such as the Vehicle Emissions Control Centre (VECC). Quality risks and rectification progress are also reviewed during the Chairman’s Monthly Quality Promotion Meeting. In anticipation of China’s upcoming 2026 standard on non-cycle energy consumption monitoring, Chery Auto has already begun scenario validation and data accumulation to ensure readiness for quantitative disclosure and process control ahead of regulatory enforcement.

In addition, we have implemented the following mechanisms:

End-to-end quality collaboration

We formulated the *Unqualified Products Control Procedure* and extended corrective action mechanisms upstream through FMEA analysis and on-site training. This fosters cross-organisational knowledge sharing and strengthens risk resilience across the entire value chain.

Production continuity management

To ensure operational stability, we have developed contingency plans to manage unexpected risks and maintain uninterrupted critical business operations. Key measures include adjusting production schedules, optimizing line startup and shutdown procedures, and establishing a backup supplier system.

In 2024, we have achieved the following milestones:

Goal fulfillment

Chery Auto conducted 100% end-of-line inspections across all product lines, achieving a 100% pass rate for vehicle quality compliance.

TSP safety early-warning platform

Our Telematics Service Platform (TSP) monitored over 500 vehicle parameters in real time. Leveraging AI algorithms capable of millisecond-level risk identification, such as battery thermal runaway, the system issued 127 early warnings for potential safety hazards in 2024.

To ensure service quality, Chery Auto allocates warranty provisions annually in its financial statements, managed through independent accounts. As of the beginning of 2024, the Company's warranty provision was RMB 5.623 billion, and by the end of the period, it amounted to RMB 9.498 billion. The warranty expenses incurred for the full year totaled RMB 3.504 billion.

Product Recall Management

Chery Auto strictly adheres to authoritative domestic and international quality regulatory standards and has established a comprehensive recall management system. We fully implement China's *Provisions on the Administration of Recall of Defective Auto Products and the Provisions on the Administration of Motor Vehicle Emissions Recalls*, along with their implementing rules. Our practices are also closely aligned with the European Union Regulation (EU) 2018/858 on vehicle approval and market surveillance, specifically referencing the Article 17 risk classification framework, and are fully compliant with the IATF 16949 international quality management standard for the automotive industry. To safeguard product quality and safety, we have formulated the *Recall Management Policy*, which standardises the recall evaluation process, defines roles and responsibilities, outlines implementation procedures, and governs follow-up handling. Supervision is provided by the Company's highest-level quality supervision authority. We have established a rigorous three-tiered recall response mechanism, which enables graded management based on comprehensive risk assessments and ensures the rapid and effective execution of recall actions. Once a recall is confirmed, we strictly manage the entire recall process—from drafting the recall plan, issuing official announcements, completing regulatory filings, enforcing stop-sale measures, and conducting recall operations, to submitting periodic progress reports and evaluating post-recall effectiveness. This ensures that all recall activities are transparent, efficient, and well-organised. In addition, we have adopted digital tools to manage and monitor the full lifecycle of recall operations, continuously enhancing transparency and operational efficiency. These efforts not only protect consumer rights but have also earned Chery Auto broad trust and support from customers and stakeholders.

Public recall	2021	2022	2023	2024
Times	3	6	3	2
Number of vehicles recalled	84,436	243,103	52,894	11,937

Three level response mechanism of product recall

Stage	Time limit	Main action	Key outputs & purpose
Level 1: Recall Assessment Meeting	Within 24 hours of accident/clue lock	Led by the Chairman’s Quality Promotion Committee, it convenes multi-functional core groups such as quality, technology, legal affairs, compliance, supply chain, customer service and public relations; For potential product defects, according to the relevant procedures of the <i>Management Measures for Improvement of After-sales Quality Issues</i> , complete the problem analysis and improvement, formulate the technical solution of market treatment, complete the technical risk assessment and form a report.	-Preliminary classification of defects (safety/emissions)-risk level (benchmarking EU 2018/858 Article 17) -Recall or technical service prototype -Allocation of resources and responsibilities -Internal Communication (Management & Supervisory Board)
Level 2: Complete filing with regulators	Within 5 days after the evaluation meeting	According to the Regulations on the <i>Administration of Defective Automobile Product Recall</i> , <i>GB/T344022017 Guidelines for Automobile Product Safety Risk Assessment and Risk Control</i> , <i>Regulations on the Administration of Motor Vehicle Emission Recall</i> and the recall regulations of relevant selling countries/regions, organise the assessment of the seriousness of the problem, the batch, scope and quantity of vehicles involved, and carry out product risk assessment and market plan assessment: 1. Complete product recall plan and implementation plan 2. Risk/technical description, VIN list, rectification plan, parts batch and supplier 3. Upload the electronic system to the regulator for filing	-Complete the <i>Defective Automobile Product Recall Plan</i> and obtain the record receipt/record number -Trigger internal quality management system recall work orders and supplier non-conforming product rectification actions <i>-Operation Methods for Recall and Maintenance of Defective Automobile Products and Technical Description for Recall of Defective Automobile Products</i> -Public recall announcement on the official platform of the regulator -Issue “Stop Sale/Pre-Installation” instructions to dealer networks
Level 3: 100% reach rate of multi-channel customer notification	After regulatory approval, complete the first round of contact within 24 hours	Multi-channel notification ensures 100% notification reach for users: Registered mail & email , SMS & APP push, WeChat applet, Internet of Vehicles OTA pop-up window, Dealer system abnormality reminder, Hotline outbound calls cooperate with media press releases and official website announcements	-Real-time monitoring of affected VIN coverage, delivery receipt rate, and reading click-through rate -Achieve “100% of the first round of notification to the owner” -Start remedial appointment and spare parts allocation, and enter the “implementation & effect evaluation” stage in a closed loop

In 2024, Chery Auto reported no incidents of product recalls due to safety or health concerns for sold or delivered vehicles. To address potential risks, the company conducted two preventive voluntary recalls, involving a total of 11,937 vehicles, accounting for 0.52% of annual sales, and marking a continued downward trend for the third consecutive year. The Company achieved 100% coverage in notifying affected customers, and all recalled vehicles that responded received timely and proper handling. For vehicles that have yet to respond, follow-up efforts will continue until all cases are fully resolved. The customer compensation plan acceptance rate reached 100%, and the total expenditure related to recalls amounted to RMB 2,715,675.00. Chery Auto has continuously strengthened its post-recall management by integrating lessons learned into the Design Failure Mode and Effects Analysis (DFMEA). Furthermore, the Company signed collaborative improvement agreements with all relevant suppliers, achieving a 100% signing rate. Within 12 months following the recalls, there have been no repeat occurrences of the same defect types.

In terms of customer communication, beyond the official announcements posted by regulatory authorities such as the State Administration for Market Regulation and the Defective Product Recall Technology Centre, we proactively notify each affected customer through registered mail, phone calls, text messages, and emails to ensure timely and comprehensive information delivery. Additionally, all recall vehicle information is integrated into the dealer management system, enabling immediate alerts when a customer’s vehicle enters a service station, thereby ensuring a swift response.

Notes:

1. Reasons for recall: 1) Abnormal welding equipment during production, resulting in insufficient weld strength between the rear axle trailing arm and the sleeve. Under extreme conditions, the weld may fracture, leading to instability in rear-wheel control and posing a potential safety risk while driving.

2) Inadequate process control in bolt fastening during manufacturing, causing some critical connection points to fail to meet the designed torque standards. This defect may lead to reduced sealing performance and brake fluid leakage, which, in extreme cases, could affect braking system performance and pose a full-scale safety risk.

2. State Administration for Market Regulation (SAMR): <https://www.samr.gov.cn/zw/zh/index.html>
Defective Product Recall Centre of SAMR: <https://www.samrdprc.org.cn/>

Global Quality Assurance

In 2024, Chery Auto comprehensively upgraded its global quality management system across organisational development, process optimisation, and digital governance, further strengthening its user-centric quality control capabilities. At the organisational level, the Company established localised operational units in 25 key overseas markets, deploying matrixed teams across R&D, manufacturing, and after-sales. This resulted in local quality talent comprising 63% of the workforce, significantly enhancing the speed and depth of issue resolution. Leveraging its proprietary digital platform, Chery Auto achieved 100% digital management of quality work orders and claims processes, reducing the average defect closure cycle by 38% year-over-year. All major anomalies are incorporated into monthly quality review meetings for closed-loop management.

To ensure consistent vehicle performance across diverse climatic and regulatory environments, we have added 215 specialised adaptability tests in 6 typical markets characterised by extreme cold, high temperatures, and high humidity. These tests cover multiple technical areas including thermal management, weather resistance, fuel quality, charging stations, and intelligent cabin and driving systems, with multi-point verification of quality consistency. Currently, our overseas “Historical Issue Database” contains 301 cases, with a closure rate of 86%.

In 2024, the product recall rate was 0.52% (calculated as the number of vehicles recalled during the year divided by the total number of vehicles sold in the same period), representing a 2.52 percentage point decrease from 2023, or a relative reduction of 84.31%. Multi-dimensional satisfaction evaluations, combining J.D. Power IQS (Initial Quality Study China) / CSI (Customer Service Index Study China) / SSI (Sales Satisfaction Index Study China) surveys and insights from the global VOC (Voice of Customer) platform, showed that in 9 markets across 9 models, the IQS reported a 13% year-over-year reduction in defects per thousand vehicles. Chery Auto will continue to advance its quality management approach through digitalisation, localisation, and professionalism, steadily enhancing product experience and consumer trust worldwide.

Quality Culture Development

We are committed to cultivating a rigorous and pragmatic quality culture. In 2024, we systematically implemented a comprehensive quality education and training programme, which included initiatives such as Quality Month themed activities, tiered professional training, ongoing quality education, digital knowledge assessments, and specialised training on quality in the overseas markets. Additionally, we organised diverse skill competitions to further enhance capabilities. We continuously deepen quality management exchanges and cooperation with industry associations and strategic partners. In 2024, 100% of Chery Auto’s employees received quality and safety-related training.

Through the Chery Auto Quality Academy, we have established a professional training platform that has delivered quality courses to over 200,000 participants, continuously supplying the industry chain with highly skilled technical and management talents. We instituted the “Chairman’s Quality Award” to recognise excellence and promote the spirit of craftsmanship, awarding more than 4,819 individuals to date. Furthermore, we launched quality science popularisation activities targeting the wider public. These initiatives have reached over 23,000 people, driving the integration of quality culture from our enterprise into the broader social ecosystem.

Chery Auto’s Responsibilities in the Field of Quality Management

Honorary Chairman and Vice-Chairman of Anhui Quality Brand Promotion Association

Member of China Association for Quality

Standing Director of Anhui Quality Association

Director of Quality Management Association of China Machinery Industry

President of Wuhu Quality and Standardisation Association

Member of Anhui Metrology Association

| Market Recognition

In 2024, according to the China Satisfaction Study released by J.D. Power, Chery Auto ranked first among domestic brands in New Vehicle Quality (IQS), New Vehicle Appeal Quality (APEAL), and Sales Satisfaction Index (SSI). Additionally, Chery Auto secured second place in Vehicle Dependability (VDS) and second place in Customer Satisfaction Index (CSI) among domestic brands. Specific models also achieved top rankings: the Tiggo 8 was named first in APEAL for the mid-size economy SUV segment, the Tiggo 7 Plus ranked first in IQS for the mid-size economy SUV segment, and the Tiggo 8 Plus secured first place in APEAL for the mid-size SUV segment.

In November 2024, we participated in the 49th International Convention on Quality Control Circles (ICQCC), hosted by the Sri Lanka Association for the Advancement of Quality and Productivity (SLAAQP) in Colombo, the capital of Sri Lanka. Chery Auto received the prestigious Gold Award for the seventh time, marking the sixth consecutive year we have earned this honor.



User Service Quality

At Chery Auto, the principle of “customer first” runs through the entire governance of the product and service lifecycle. We have incorporated key metrics such as Net Promoter Score (NPS), first-time fix rate, major recall frequency, and customer privacy compliance into the long-term incentive system for senior management.

To ensure that customers worldwide experience consistent quality regardless of location, we have standardised operations across more than 4,200 authorised service outlets globally through 4 key process documents, including the *Sales Service Provider Operations Manual* and the *Chery Auto*

After-Sales Process Manual. In 2024, the first-pass yield rate of critical processes rose to 99.5%, the 24-hour delivery rate for regular spare parts reached 65%, and the average response time for urgent parts was reduced to ≤1.5 hours, shorter than the industry average of 2 hours. Across brands, the average one-time repair rate for work orders reached 96.5%. These indicators also clearly point to the direction of further enhancing process transparency and expanding supplier training coverage.

Digitalisation has been a major accelerator for service quality enhancement. By leveraging time-series forecasting

and large language models, we integrated all 24/7 customer touchpoints—official app, mini-programme, 400 hotline, and direct connection platform—into a unified “Voice of Customer (VOC)” system. The algorithm can detect customer sentiment and intent in real time, ensuring initial contact within one hour and resolution on the same day. Spare parts demand forecasting accuracy improved by 2 percentage points, supplier delivery cycles shortened by 30%, and parts fulfillment rate rose from 94% to 96%. These improvements have directly contributed to maintaining Chery Auto’s ranking among the top 2 Chinese independent brands in the J.D. Power CSI survey.

2024 Customer Service Satisfaction Survey Results



CHERY scored 761 points in the 2024 J.D. Power Sales Satisfaction Index (SSI), ranking the 4th among mainstream auto brands and 1st among Chinese domestic brands.

CHERY scored 780 points in the 2024 J.D. Power Customer Service Index (CSI), ranking the 3rd among mainstream auto brands and the 2nd among Chinese domestic brands.



JETOUR scored 752 points in the 2024 J.D. Power Sales Satisfaction Index (SSI) study, ranking the 8th among Chinese domestic brands.

Scored 780 points in the 2024 J.D. Power Customer Service Index (CSI) study, ranking the 5th among Chinese domestic brands.



EXEED scored 758 points in the 2024 J.D. Power Sales Satisfaction Index (SSI), ranking the 4th among Chinese domestic brands.

Scored 914 points in the 2024 internal Customer Service Index (CSI) survey.



iCAR scored 916 points in the 2024 internal Sales Satisfaction Index (SSI) survey.

Scored 918 points in the 2024 internal After-Sales Satisfaction Index (CSI) survey.



LUXEED carried out a series of customer-centric service activities such as “Service Days,” “Charging Days,” “Safe Driving Campaigns,” “Seasonal Vehicle Checkups,” and “Worry-Free Charging,” earning a customer satisfaction score of 97.39.

Special topic: User co-creation

At Chery Auto, we always regard our users as core partners in brand development and co-creators of value. By integrating online and offline interactive channels, we build deep emotional connections with users, striving to provide a premium experience throughout the entire vehicle ownership cycle. In 2023, we launched the global user brand “With Chery With Love,” embodying our service philosophy. In 2024, we further upgraded our user operation system: CHERY introduced the “Together with CHERY” ecosystem platform, while JETOUR launched the “Traveler with JETOUR” user programme. Through creating open and shared user communities, we continuously improve our multidimensional interactive platforms and optimise a user-centric ecological service system.

We resonate with users to create more thoughtful designs.

We involve users throughout the entire product design process. Through one-on-one in-depth interviews and scenario-based demand surveys, we gain deep insights into core user needs, ensuring our product designs truly align with what users want.

We journey alongside our users to make driving and riding more comfortable.

By focusing on high-frequency scenarios such as self-driving tours, camping, and off-roading, we build immersive user experience workshops that accurately capture user needs in diverse contexts, crafting new, comfortable travel experiences.

We unite with users to offer better mobility.

By building multi-layered user community ecosystems, we foster deep interaction and collaboration, allowing more users to enjoy the benefits of the automotive ecosystem and making vehicle use a beautiful gateway connecting life.

CASE

“FOR US, FOR FUTURE” Chery Auto’s 2nd Chery International User Summit

To further enhance product transparency and deepen global user co-creation, Chery Auto successfully held its second Chery International User Summit themed “FOR US, FOR FUTURE” in October 2024 in Wuhu, Anhui. The event brought together 630 user representatives and media professionals from 32 countries and regions worldwide. Through a series of activities including the User Ecosystem Exhibition, Green Charity Ride, Global KOC Forum, and CEO Summit, the conference showcased the Company’s latest practices in sustainable mobility and ecological collaboration. The summit built a strong bridge connecting global users, fostering deeper interaction and communication while promoting the concept of green and eco-friendly travel. It advanced the integration and development of the global automotive ecosystem, demonstrating Chery Auto’s commitment and strength in delivering intelligent, environmentally friendly, and personalised mobility experiences for users worldwide.





CASE

EXEED EXLANTIX E08 “Be Together for Love” User Co-Creation Programme

In November 2024, EXEED brand, centred on the core philosophy of “Striving Toward the Future,” officially launched its luxury flagship MPV model, the EXLANTIX E08. At the launch event, the brand simultaneously kicked off the global “Be Together for Love” user co-creation programme. This innovative initiative aims to achieve 3 major goals: recruit 100,000 brand advocates worldwide, collect 10,000 product innovation ideas, and select 100 “Car-Making Partners” to deeply engage in product development. By establishing a cross-disciplinary collaboration platform, enhancing user participation mechanisms, and advancing sustainable innovation practices, the programme is set to effectively boost product competitiveness and drive brand value growth.

Mobility Safety

Chery Auto designs its corporate safety standards by referencing the stringent criteria globally, with testing requirements far exceeding national standards. It is the Chinese domestic automobile brand with the highest number of global “Five-Star Safety” NCAP certifications. Chery Auto has accumulated 41 models that have earned top ratings from various international safety evaluations including China New Car Assessment programme (C-NCAP), European New Car Assessment programme (E-NCAP), ASEAN New Car Assessment programme (ASEAN NCAP), and the New Energy Vehicle Electric Safety Technology Assessment (NESTA Six-Dimensional Electric Safety). This outstanding record is a strong testament to the philosophy behind “Chery Safety.”

Safety commitment of Chery Auto is a 27-year-long journey of technological advancement. Upholding the philosophy that “Safety is the Greatest Luxury,” the Company integrates product safety management throughout the entire vehicle development lifecycle, investing over RMB 100 billion in safety technology research and development. Protecting occupants goes beyond mere regulatory compliance. Through extensive real-world accident scenario simulations, such as rear-end collisions, lane changes, and emergency braking, Chery Auto has developed a multi-layered, systematic safety technology framework that covers accident pre-warning, in-crash protection, and post-accident response. This comprehensive approach safeguards safety across active safety systems, battery safety, rescue safety, collision safety, health safety, information security, and functional safety, maintaining a robust safety defense line at every level.

Chery Auto’s FAST development philosophy (“Four All” Safety Technology)



All Occupants

Cover all participants in road traffic



All Loadcases

Cover all participants in road traffic



All Process

Before, during, and after an accident



All Directions

All-round three-dimensional safety protection

Pre-accident Warning

We regard the assisted driving system as the first line of defense for ensuring driving safety. We are equipped with the “Falcon System” to achieve an industry-leading assisted driving experience and have established a multi-dimensional “collision warning + active protection” system. Before a collision occurs, the system identifies risks through intelligent sensors and activates the vehicle’s protection mechanism.

Standard features

Including lane keeping, automatic emergency braking, blind spot monitoring, forward collision warning, and adaptive cruise control.

Flagship features

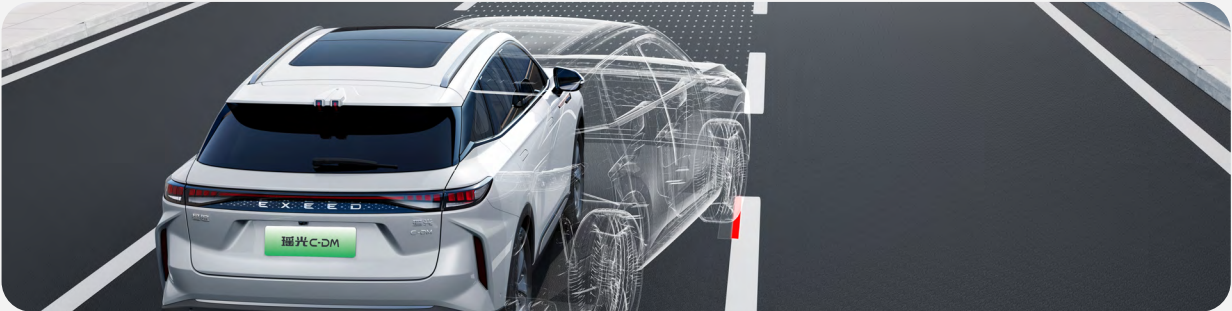
On high-end platforms like the EXEED EXLANTIX, Chery Auto is gradually introducing highway and urban NOA (Navigation on Autopilot) functions. The company is also conducting advanced research on perception and adaptive path planning for various targets and traffic signs in both highway and urban scenarios.

Technical route

Adhering to the concept of real-world road safety, Chery Auto conducts systematic optimisation and risk model iteration based on extensive traffic accident data. By integrating multiple sensors, including cameras, millimeter-wave radar, and LiDAR, the system achieves stable recognition and control in complex traffic environments, and undergoes rigorous global validation testing.

Data security and ethics

The system is designed with built-in decision transparency and is progressively incorporating driver state monitoring features, such as fatigue and attention detection, as part of a human-machine collaboration framework, thereby enhancing system controllability and clarifying responsibility.



In-accident Protection

Chery Auto is committed to comprehensive safety across its entire vehicle range, from microcars to high-end flagship models. Development is based on the NCAP safety standards and the “Rock Solid Body” technology platform. By employing a multi-path force conduction design, the platform effectively reduces collision impact, while an all-around airbag protection system provides reliable and effective protection for drivers and passengers.

Body structure

Chery Auto uses a combination of ultra-high-strength steel, hot-formed steel, aluminum alloy, and composite materials to achieve a dual composite design that flexibly channels impact forces in energy-absorbing zones while maintaining rigid protection against deformation in the passenger cabin. This design forms a “cage-like energy-absorbing space capsule” structure, particularly reinforced in the A and B pillars, sill beams, and front longitudinal beams.

Occupant protection design

Develop and apply far-side airbags to isolate the heads of the driver and front-passenger in a side-impact instant, significantly reducing the injury to people in secondary collisions; The OPW-process side curtain airbag maintains pressure for 6 seconds and covers the A-C pillars, effectively preventing roll-overs and multiple impacts; The active pre-tensioning and force-limiting seat belts tighten in advance before a collision is predicted, reducing the forward displacement of the occupants and strengthening the overall restraint.

Extreme verification

Conduct industry-first tests such as a 31.9-meter air-drop test, a three-vehicle collision test collision test, a peak roll-over test, and a roll-over test after a side-impact, etc., to verify the product’s safety under extreme conditions.

Battery safety

To ensure battery safety, we conduct full-life-cycle management of battery safety from 7 dimensions: design, quality, parts logistics and warehousing, vehicle production, vehicle logistics, fault warning, and after-sales maintenance. Chery Auto’s self-developed batteries have adopted the most comprehensive “full-scenario” verification in the industry, with a total of 52 verification items, 28 more than the new national standard. It has 2 original extreme tests: 1) No thermal runaway occurs when the battery cell is squeezed to 50% deformation and then punctured by 3 needles simultaneously; 2) No smoke or fire occurs in the quadrathlon serial verification, protecting users’ lives with standards far exceeding the industry.

The Largest Collision Safety Laboratory in Asia—Chery Auto Engineering Centre

Established in February 2006 with a total investment of nearly RMB 2 billion and covering approximately 300,000 square meters, the Chery Auto Engineering Centre is Asia’s largest collision safety test facility. The centre houses 8 major laboratories and multifunctional test grounds spanning automotive energy management, powertrain, NVH (noise, vibration, harshness), safety collision, systems and components, materials, and metrology. It offers over 2,000 types of testing capabilities across 23 professional modules, covering safety, environmental adaptability, power and fuel efficiency, intelligent cockpit, durability and reliability, comfort, and materials engineering.

Equipped with more than 1,100 sets of instruments and equipment, the centre not only features internationally leading key testing devices but also a significant number of proprietary, nationally patented testing apparatus developed in-house. The centre employs over 1,000 staff members, including more than 50 senior experts and PhD holders.

In 2024, over 1,000 collision tests were conducted within the engineering centre’s laboratories. These tests covered regulatory standards and consumer evaluations such as C-NCAP and E-NCAP, across various regions, countries, demographic groups, and traffic scenarios. Testing scenarios included frontal collisions, offset impacts, side pole impacts, rear-end collisions, rollovers, and battery pack underbody scraping – a total of 67 distinct conditions. By continuously applying these rigorous tests, Chery Auto drives the evolution of automotive safety technology from compliance and basic safety to intelligent, proactive protection.



Post-accident Response

Chery Auto has established a comprehensive end-to-end emergency response system aimed at improving accident survival rates, reducing injuries, and supporting first responders effectively.

Accident rescue system

Equipped with an emergency call system featuring backup power, the vehicle can still make rescue calls even if the entire vehicle power is cut off. In the event of a collision or thermal runaway, the system automatically triggers and within 60 seconds notifies the rescue platform, promptly uploading critical data such as vehicle location, collision direction, collision type, and number of occupants. It also assists in contacting emergency services like 120 emergency hotline.

High-voltage cut-off mechanism

All hybrid and electric models come with collision-triggered high-voltage cut-off functionality. This includes relay and fuse-based power cut-off plus industry-leading active collision power disconnection technology. Upon receiving a collision signal, the battery high voltage is cut within 2 milliseconds, ensuring the safety of first responders. Additionally, physical power cut switches are installed in both the front and passenger compartments to allow manual confirmation of high-voltage disconnection in various collision scenarios. This multi-layer safety approach protects both occupants and rescue personnel from electrical hazards.

Collision door unlocking technology

The vehicle features triple unlocking mechanisms activated upon collision: monitoring vehicle speed changes, a low-speed collision acceleration algorithm, and airbag deployment detection. This ensures that doors unlock reliably in different accident scenarios. Furthermore, mechanical door handles inside the vehicle provide an escape route even if the vehicle loses all power, guaranteeing occupant egress under extreme conditions

Submersion rescue capability

In the event of vehicle submersion, Chery Auto optimises the vehicle’s airtightness and window control system’s power supply strategy to exceed Euro NCAP five-star requirements. This maintains operability of the window system for at least 3 minutes after water ingress, providing occupants sufficient time to escape safely.



Verification and Certification

In 2024, Chery Auto obtained ISO 26262 functional safety management process certification, marking its safety management system as internationally advanced.

Chery Auto actively engages in third-party independent safety assessments and certifications, securing multiple authoritative safety recognitions both domestically and internationally, including C-NCAP Five-Star Safety Certification, C-IASI Excellent Rating, and NESTA Six-Dimensional Electrical Safety Certification. These independent validations enhance safety management transparency and market credibility.

In 2024, Chery Auto conducted 13 safety performance rating verifications focusing on collision safety, intelligent safety, and battery safety. From material selection to structural design, rigorous controls ensure every product achieves industry-leading passive safety standards.

01

C-NCAP Assessment

- Number of tested models: 3
- LUXEED S7
 - EXLANTIX ES
 - EXLANTIX ET

02

Euro NCAP Assessment

- Number of tested models: 1
- OMODA E5

03

ANCAP Assessment

- Number of tested models: 1
- Tiggo 8 Pro Max

04

TOP SAFETY Extreme Safety Test Project

- Number of tested models: 4
- EXLANTIX ET-air-drop test
 - EXLANTIX ES-three-vehicle collision test
 - Fulwin T9-Side impact and rollover test
 - LUXEED R7-SuperCrash Challenge

05

NESTA Safety Testing Institution

- Number of tested models: 1
- LUXEED R7

06

C-IASI China Insurance Automotive Safety Index

- Number of tested models: 1
- EXEED RX

07

ASEAN-NCAP tested models

- Number of tested models: 1
- OMODA5

08

Models tested in i-VISTA

- Number of tested models: 2
- EXEED RX
 - LUXEED S7

09

Models tested in C-ICAP

- Number of tested models: 1
- LUXEED S7

10

Other safety test items

- Number of tested models: 3
- EXEED RX CDM-Walking on a bed of knives test
 - OMODA5
 - JAECOO7 RCAR

CASE

EXEED RX Earns Full A Ratings in C-IASI Crash Safety Tests

The China Insurance Automotive Safety Index (C-IASI), recognised as one of the country's most authoritative crash testing evaluation system, offers consumers a professional and reliable car-buying reference with its rigorous test conditions and globally advanced assessment standards. On March 19, 2024, the C-IASI safety crash test results revealed that the EXEED RX scored the highest G ratings across 3 core metrics: occupant safety, pedestrian safety, and vehicle assistance safety. Following its previous honors as one of China's first vehicles to earn zero formaldehyde cabin certification and the IVISTA Intelligent Vehicle Five-Star rating, EXEED RX once again secured national-level authoritative recognition. Key safety features include the innovative cage-style energy-absorbing "space capsule" design, with 85% ultra-high-strength steel body structure, ten circumferential energy channels, an integrated aluminum crash beam, and 6 energy absorption boxes providing multi-layer protection. The 1,500 MPa ultra-high-strength B-pillar combined with bamboo-joint energy-absorbing door sills forms a dual-layer 10-path energy dispersion system. The roof uses 1,500 MPa high-strength steel, with a roof load-to-mass ratio of 6.26 – 4 times the national standard. Additionally, the vehicle is equipped with a class-leading L2.9 driving assistance system featuring 32 driving assistance functions that performed flawlessly in C-IASI tests such as automatic emergency braking, thoroughly confirming its reputation as a "mobile safety fortress."

CASE

EXEED EXLANTIX ET Completes 31.9-Meter Air-drop Test

On May 6, 2024, the EXEED brand, in collaboration with China Automotive Information Technology (Tianjin) Co., Ltd., set a new benchmark in automotive safety testing in Wuhu with the EXEED EXLANTIX ET's successful completion of a 31.9-meter (approximately 11 stories) air drop test. Impacting at a speed of 90 km/h and with an impact energy 3.24 times greater than the C-NCAP standard, this test broke industry records. During the test, the EXLANTIX ET demonstrated comprehensive safety performance: the occupant cabin remained intact without deformation, all doors opened normally, and airbags deployed accurately. The battery system endured the extreme conditions with no fire, no explosion, no smoke, no electrolyte leakage, and fully compliant insulation resistance. On May 28, the "True Safety, Fearless Disassembly" live event, witnessed by experts from the China Automotive Technology & Research Centre, showcased a detailed teardown of the EXLANTIX ET. This transparent demonstration revealed the vehicle's military-grade body structure, precise restraint systems, and innovative battery protection technologies, solidifying its positioning as a "Super Intelligent SUV." The event reaffirmed the message to the market: "You can always trust Chery Auto in terms of safety."



CASE

EXEED EXLANTIX ES Surpasses National Safety Standards with Ultra-High-Speed Three-vehicle Collision Test

On July 15, 2024, Chery's EXEED brand, in partnership with the China Automotive Technology & Research Centre, set a new milestone in vehicle safety testing. The 2025 EXEED EXLANTIX ES successfully completed China's first-ever 120 km/h ultra-high-speed dual-direction three-vehicle collision test in Tianjin. This groundbreaking test went far beyond conventional single-point impact simulations. Two real vehicles struck the EXLANTIX ES simultaneously from 180° and 30° angles at 60 km/h, generating a kinetic impact equivalent to 117g of TNT—6.36 times the difficulty level defined

by China's national safety standards and 20% beyond the C-NCAP collision speed requirement. The results demonstrated the EXLANTIX ES's exceptional structural integrity and occupant protection under extreme collision scenarios. Comprehensive evaluations in electrical safety, body structure, and passenger restraint systems confirmed the vehicle's ability to withstand the most severe real-world impacts. This unprecedented safety performance reinforces Chery Auto's philosophy of "Safety as the New Luxury" and delivers on its brand promise: "Born for the User."



Responsible Supply Chain



Governance and Organisation Institution

Chery Auto regards supply chain management as a vital component of its core competitive strength. Through systematic planning and continuous innovation, the company has built an efficient, agile, and secure global supply chain system. In 2024, under Chery Auto's Sustainability Management Committee, the sustainable supply chain working group was established. The working group focuses on aligning ESG strategy implementation with the company's business objectives. It operates through a three-tier management structure consisting of a Management Group, a Promotion Group, and an Execution Team. The group regularly reports the status of supply chain ESG management to the Sustainability Management Committee to ensure effective supervision and management of related supply chain risks. The Management Group, led by Chery Auto's Vice President, is responsible for approving ESG management goals for the supply chain, developing the ESG management system, evaluating supply chain ESG plans, and reviewing ESG-related decisions. The Promotion Group carries out the tasks assigned by the Sustainability Management Committee and coordinates with internal departments such as R&D and Quality, as well as ESG experts, to advance integrated global supply chain ESG efforts. The Execution Team is tasked with implementing daily management and performance requirements. In 2024, the sustainable supply chain working group held 5 meetings to continuously track 37 key process indicators. Additionally, the group led and participated in industry alliances, engaging in in-depth exchanges with national automotive industry data centres and global sustainable supply chain networks like Drive Sustainability. By collaborating with industry partners, Chery Auto actively promotes the green transformation and sustainable development of

the global automotive supply chain. Through sharing best practices, contributing to standards development, and joint initiatives, Chery Auto facilitates collaborative innovation across the supply chain in areas including carbon emission management, resource recycling, and responsible sourcing.

| Responsible Sourcing Talent Pipeline

Chery Auto views procurement capability development as a cornerstone of sustainable supply chain operations. By implementing structured training, hands-on empowerment, and ESG-focused skill enhancement, the Company has built a procurement team that integrates business acumen, technical expertise, and a strong sense of social responsibility, laying a solid foundation for high-quality global supply chain development. Sustainable development competency is positioned as a core qualification for all procurement roles at Chery Auto. Every team member is required to pass a series of online exams under the "Responsible Sourcing" training programme. In 2024, 100% of procurement staff of Chery Auto received ESG exam. The Company held 8 training sessions, with more than 1,864 individual participations and an average of 1.94 hours of training per person annually.

For roles involving overseas sourcing, Chery Auto organised specialised sessions covering local environmental and labor regulations as well as cross-border trade practices. In 2024, no violations were reported in relation to the Company's international procurement operations.

Supplier Management

Chery Auto is committed to building sustainable partnerships with its supply chain stakeholders, including suppliers directly involved in production, those providing operational capital goods, and those supplying indirect materials or office supplies, to ensure the safety, compliance, and environmental and social performance of its supply chain. The Company manages suppliers through a Supplier Relationship Management (SRM) system, which integrates sourcing, supplier management, procurement execution, and analytics into a unified platform. Additionally, Chery Auto enforces strict supplier onboarding and exit mechanisms, along with ongoing due diligence, to ensure the overall performance of its supply chain aligns with the Company’s ESG standards.

Commitment and Access

Chery Auto ensures that its supply chain complies with the Company’s ESG management standards through a rigorous entry evaluation and dynamic exit mechanism. During the supplier onboarding phase, the Company conducts third-party due diligence to comprehensively assess suppliers’ management operations, quality control capabilities, environmental and social responsibility performance, and regulatory compliance. A negative screening mechanism is also applied during the new supplier review process. If a supplier is found to have any of the “Top Ten Red Line” issues, including being listed as a dishonest judgment debtor, having records of major environmental or safety incidents, or involvement in commercial bribery, Chery Auto will refuse to approve the supplier in its resource pool until the issues are fully rectified.

In 2024, Chery Auto completed access assessments for 94 new suppliers. Among them, 76 new suppliers met the Company’s entry requirements and were approved, while 18 new suppliers were denied entry due to deficiencies in quality management.

Chery Auto has established a comprehensive supplier entry commitment mechanism. Through multi-level and multi-dimensional responsibility constraints, it ensures that new suppliers fully meet the Company’s sustainable development requirements in terms of business ethics, quality and safety, environmental management

Basic compliance commitment	● Mandatory supplier documentation: • <i>Non-Disclosure Agreement (NDA)</i>: Regulates the protection of intellectual property and confidential business information. • <i>Supplier Integrity Statement</i> (or equivalent agreement): Clearly outlines anti-bribery and anti-corruption obligations. • <i>Quality Agreement</i>: Defines responsibilities related to product quality and establishes traceability mechanisms. • <i>Safety Self-Inspection Commitment</i>: Reinforces the supplier’s primary responsibility for workplace safety and safe production practices.
ESG special commitment	● <i>Supplier Code of Conduct</i>: • Strictly abide by the ILO core labor standards and the requirement of no forced labor • Include core clauses such as environmental management, labor rights and interests, and business ethics • Require suppliers to extend ESG management to upstream suppliers • In 2024, special clauses such as “Responsible Minerals”, “Biodiversity Conservation”, “Deforestation”, and “Water Resource Management” were added.
Low-carbon development commitment	● <i>Green Technology Agreement</i>: • For suppliers of high-carbon emission products (such as steel, aluminum, etc.) • It includes agreements on indicators and measures such as annual emission reduction targets, commitments on the proportion of renewable electricity, and verification mechanisms.
Dynamically upgrading mechanism	● Regularly update the terms of the commitment letter ● Add the <i>Recycled Materials Technical Agreement</i> ● Develop a digital signing platform to and trace the online implementation progress of commitment

Through contractual management, this system effectively conveys Chery Auto’s sustainable development requirements to the supply chain, laying an institutional foundation for building a responsible supply chain ecosystem. In 2024, the signing rate of commitment letters for newly admitted suppliers reached 100%.

Exit Mechanism

Regarding the supplier exit mechanism, Chery Auto implements regular performance tracking of existing suppliers, clearly defining exit trigger conditions and execution procedures. Suppliers involved in major safety incidents or labor rights violations are marked as high-risk suppliers and required to immediately develop remediation plans, undergo quarterly reviews, and face measures such as reduced supply quotas, restrictions on new project allocations, and category limitations. Suppliers with consistently poor overall evaluations are subject to project development restrictions, reduced supply quotas, and resource reallocation. If remediation fails to meet expectations or serious violations are discovered, such as use of child labor or integrity issues, Chery Auto will immediately terminate the cooperation.

In 2024, Chery Auto terminated cooperation with 87 suppliers. Among them, 7 suppliers were found to have issues related to labor rights, 1 supplier had concerns regarding occupational health and safety management, and 79 suppliers were identified with other problems such as quality and delivery.

Suppliers Complaint

Chery Auto has established a dedicated supplier complaint platform to facilitate anonymous reporting of issues such as unfair trade practices, corruption, and commercial retaliation. The appeal channels are formally communicated to suppliers through official documentation, and suppliers are urged to inform their employees and upstream suppliers about the platform to ensure its visibility and accessibility. In 2024, based on anonymous feedback received through the complaint platform, we conducted 1 round of special inspection and, in accordance with the Company's Sunshine Project management regulations, imposed breach penalties on 3 entities.

Performance Management

Chery Auto regards supplier performance management as a key pillar for achieving sustainable development across the entire value chain. We are committed to driving excellence in both quality and ESG performance through systematic evaluations, dynamic tiering, and continuous improvement mechanisms.

Completion of Supplier Key Performance Indicators (KPIs) in 2024		
Core Indicators	2024	Targets for 2025
Due diligence on conflict minerals-Number of suppliers completing CMRT declaration	419	500
Coverage rate of Tier-1 suppliers subject to second-party on-site verification within 3 years	50.49%	60%
Proportion of Tier-1 suppliers certified under the IATF 16949 system	97.37%	It is going to be the supplier access requirement
Proportion of Tier-1 suppliers certified under the ISO 14001 system	87.01%	

Chery Auto Reporting and Complaint Channels

Sunshine Project Reporting Channel

Scope: Major fraud, corruption, and disciplinary violations
Hotline: 0553-5923810/7810; 5922145/8145;
18155361669/15955333455
E-mail: yangguang@mychery.com
QQ: 2943014773 (Nickname: Woodpecker)

Compliance Complaint Channel

Scope: Other types of complaints not covered under the Sunshine Project
E-mail: hegui@mychery.com
Tel: 0553-7526147
Mailing address: Compliance Office, 5th Floor, Automotive Research Institute, No. 8 Anshan Road, Wuhu Economic and Technological Development Zone, Anhui Province, China (Zip code: 241006)

Risk Management and Due Diligence

Chery Auto continuously strengthens its risk prevention and control system. The Board of Directors, through the Sustainability Committee, regularly reviews the results of human rights and environmental risk assessments in the supply chain and makes decisions on major risks and corrective measures. While enhancing operational stability, the Company actively adapts to the evolving global supply chain due diligence regulations, building a systematic, compliant, and transparent supply chain risk management framework. Through a systematic due diligence mechanism and dynamic performance evaluation system, Chery Auto promotes comprehensive improvements in supply chain quality, safety, efficiency, and sustainability capabilities.

Standards and Strategies

Chery Auto has updated its *Supplier Code of Conduct* by referencing international conventions such as the *OECD Due Diligence Guidance for Multinational Enterprises*, the *United Nations Universal Declaration of Human Rights*, the *UN Guiding Principles on Business and Human Rights*, the *International Labour Organisation's Declaration on Fundamental Principles and Rights at Work*, and the *UN Convention on the Rights of the Child*. This Code aligns with Chery Auto's ESG governance principles and further sets requirements for suppliers regarding climate transition, biodiversity, forest and water resource protection, due diligence procedures, and business ethics practices. Commitment to comply with this Code is a prerequisite for cooperation. In the current year, the signing rate of *Supplier Code of Conduct* with Tier-1 suppliers reached 100%.

Chery Auto has established a supply chain risk management strategy centred on “access constraints – graded control – key collaboration.” A multidimensional supplier evaluation tool based on the *Supplier Code of Conduct* has been developed, covering social issues such as supply chain management and employee management, environmental issues including carbon management and waste emissions, and governance issues like business ethics. This tool will be fully implemented across Tier-1 suppliers by 2025. Additionally, we encourage suppliers to obtain international standard certifications such as IATF 16949, ISO 14001, and ISO 45001 to enhance their sustainable development capabilities.

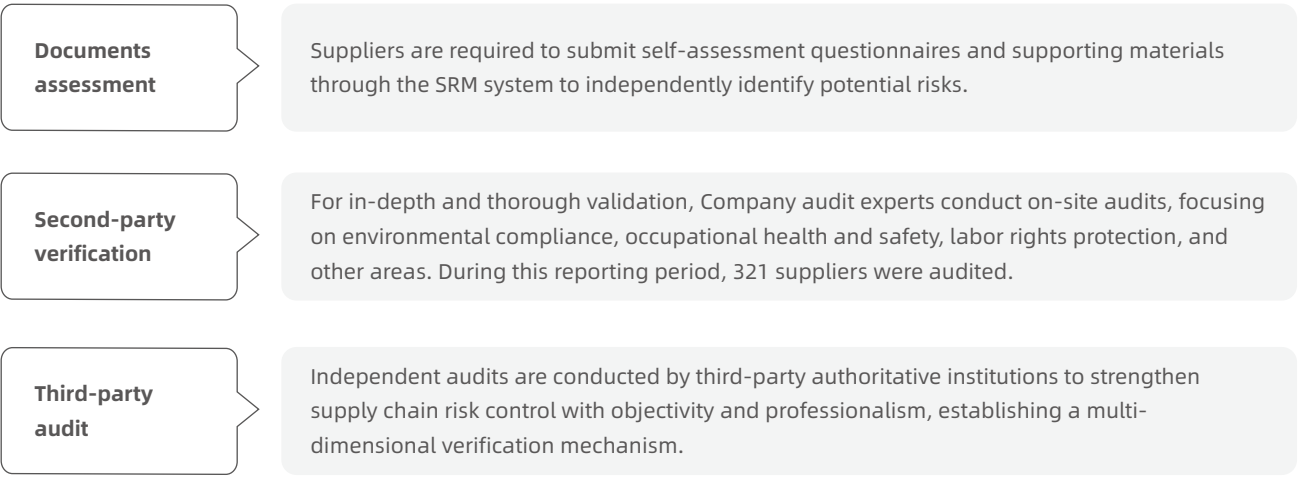
Risk Identification and Evaluation

Chery Auto is gradually building a risk diagnosis system with indicators covering compliance, environment, human rights, safety, and other dimensions. Based on supplier assessment tools and processes, we conduct classified and graded due diligence based on the supplier's region, industry, products and substitutions, and set corresponding risk identification and mitigation strategies.

In 2024, we conducted risk screening for all Tier-1 suppliers and key Tier-2 suppliers, performing dual-dimensional calculations of “probability” and “severity,” identifying several high-risk enterprises with weaknesses in quality management and emergency response system construction.

Due Diligence Implementation

Chery Auto has established a three-tier supply chain due diligence system consisting of “document assessment – second-party verification – third-party audit,” covering all Tier-1 suppliers, key Tier-2suppliers, and some Tier-3 raw material suppliers. Differentiated risk mitigation strategies are implemented based on risk identification and evaluation results, and we will launch a special ESG audit of the supply chain in 2025, covering areas such as environmental protection, human rights, and critical raw materials.



Due Diligence Implementation

Additionally, in 2024, special audits were conducted:

Special process audits

Targeting high-risk processes such as welding, painting, and battery packaging to ensure compliance with environmental and safety standards, and to promote equipment upgrades.

Occupational health and safety audits

Audits covering production safety, hasardous chemical storage compliance, fire safety, employee safety training, and other aspects to build a “zero-accident” safety ecosystem within the supply chain.

Unannounced inspection

In response to potential risk warnings, unannounced audits are conducted according to the *Management Measures for Spot Inspection of Auto Parts*. In 2024, unannounced audits were performed at our major vehicle production bases and 121 suppliers to ensure timely detection and effective tracking of risk issues within the supply chain.

Risk Mitigation and Remediation

Based on the due diligence results, suppliers are categorised into 4 classes: A (Excellent), B (Good), C (Needs Improvement), and D (High Risk). Audit frequency and resource allocation are differentiated accordingly. Suppliers failing to meet minimum requirements are required to submit rectification plans and reports through the SRM system and pass re-evaluation within a specified deadline (30 days, 90 days, or 6 months depending on severity); failure to pass will trigger the exit mechanism. For suppliers rated as D, their general managers must communicate improvement plans and implementation status directly with the Company. The due diligence results have been incorporated into the suppliers’ annual comprehensive evaluation system, serving as a key basis for contract renewal. During the second-party verification process in 2024 alone, 4,815 risk mitigation and remedial rectification projects were implemented, achieving a 98% closure rate within the year.

Response to High-Risk Issues

We continuously monitor labor risks, community conflicts, and environmental damage in high-risk regions such as politically unstable areas and resource-exporting zones. We have established a dynamically updated “Global Supply Chain Risk Map” that integrates international databases, media sentiment, and regulatory notices to comprehensively assess compliance risks, community conflicts, and supply uncertainties in different regions. We prioritise refined management of key raw materials and components such as aluminum, steel, batteries, rubber, and chips.

On this basis, Chery Auto actively promotes a localisation strategy to enhance supply chain security and resilience, and increase the proportion of local procurement, we collaborate with trusted local partners to jointly build vehicle production bases, supporting logistics, and after-sales networks. This enables on-site industrial chain coordination, stable operations, and community integration. This layout not only improves flexibility in responding to emergencies but also effectively drives local employment, technology transfer, and economic growth. By the end of the reporting period, the localised procurement rate reached 33%.

We also promote ESG capacity building among suppliers in high-risk areas by providing necessary training and support, assisting them in meeting Chery Auto’s and the automotive industry’s internationally recognised responsible sourcing requirements.

Transparency and Collaboration

In 2024, we launched a pilot for the Supply Chain EDI (Electronic Data Interchange) platform, which integrates multidimensional data from suppliers including production capacity, quality, inventory, logistics, and environmental status. The platform also synchronously shares Chery Auto’s complete vehicle production plans and material demand information with suppliers. This platform enables real-time collaboration with key suppliers, enhancing supply chain transparency, traceability, and operational efficiency. It also provides a real-time data foundation for environmental performance evaluation, aiding the monitoring of key environmental performance indicators such as carbon footprint, energy efficiency, and pollution emissions. Additionally, it supports the establishment of a more comprehensive product quality and safety risk control system, helping suppliers build digital management capabilities in inventory management, environmental management, quality improvement, and responsible sourcing.

In 2024, we achieved data exchange with 21 key suppliers. Looking ahead, we will continue to expand the platform’s coverage to include all Tier-1 and key Tier-2suppliers, building a digitally driven sustainable supply network.

Supplier Empowerment

The Company is committed to building an open, collaborative, and sustainable supply chain ecosystem, continuously deepening systematic support for supply chain partners. Through multi-level and multi-dimensional capability-building programmes, we help our supply chain partners enhance quality management, technological innovation, and ESG management standards, working together to create shared value across the value chain.

Standard Alignment and System Enhancement

To ensure product quality consistency and full lifecycle management capabilities, the Company has established a systematic mechanism for enhancing suppliers’ quality capabilities. In 2024, we organised 4 focused quality training sessions around key topics such as new quality standards, process optimisation, and issue prevention, covering 380 core suppliers. The training content included requirements of the IATF 16949 system, key component defect prevention mechanisms, and process audit essentials, helping suppliers accurately grasp new quality management regulations, improve the foresight and precision of quality control, and promote the implementation of high standards across the supply chain.

To advance supplier compliance and ESG management, in 2024, the Company conducted over 1,600 hours of systematic training involving more than 400 core suppliers, significantly enhancing the overall compliance and ESG management level of the supply chain.

Excellent Learning Community and Benchmark Development

In 2024, Chery Auto continued to implement the “Partnering with Outstanding Suppliers” programme, aiming to promote low-carbon transformation and enhance green innovation capabilities by building a learning and development system with exemplary leading roles. Led in rotation by senior management, we organised 4 thematic on-site exchange activities, guiding suppliers to visit benchmark enterprises with outstanding performance in green manufacturing, circular economy, energy structure optimisation, quality management, and digital capability building. A total of 105 senior management representatives from suppliers directly participated, engaging in observation and learning, thematic discussions, case study consolidation, and full-process interactive ecological development. The programme has driven 7 core suppliers to establish carbon emission management targets.

Through a “Consensus-Practice-Benchmarking-Collaboration” approach, the project has successfully replicated and promoted advanced experiences across the entire value chain, driving the formation of a clean production ecosystem.

Global Partnership Building and Responsibility Initiative

To build a more resilient, inclusive, and sustainable global supply chain ecosystem, Chery Auto in 2024 jointly launched the *Chery Auto Sustainable Supply Chain Initiative* with 10 core suppliers. centred on 9 key pillars, the initiative deepens collaboration to promote shared responsibility and value co-creation across the entire value chain. By the end of 2024, over 300 suppliers had responded to the initiative, covering critical areas such as raw materials, components, and logistics, forming a cross-regional and cross-industry collaborative network. Moving forward, Chery Auto plans to incorporate key Tier-2 suppliers and logistics partners, further driving the construction of a global full-value ESG partnership through technology empowerment, shared governance, and ecosystem development.



Quality Management

As a core element of ESG practices, supply chain quality management at Chery Auto is systematically ensured through the implementation of rigorous Advanced Product Quality Planning (APQP) and Production Part Approval Process (PPAP) controls. This approach guarantees the quality of components and raw materials, promotes end-to-end transparency and standardisation across the supply chain, and effectively reduces environmental and social risks.

Stage-by-stage management of the Advanced Product Quality Planning (APQP) process

Chery Auto requires its suppliers to adhere to the 5 key phases of Advanced Product Quality Planning (APQP) from the very beginning of product design: planning, product design and development, process design and development, product and process validation, and production feedback. This entire process is managed through a digital platform to ensure full online control, including any subsequent product changes:

Uploading and reviewing the phased documents

Suppliers must upload key documents at each APQP stage, such as design files, Failure Mode and Effects Analysis (FMEA), quality control plans, and test reports, ensuring alignment and traceability of technical standards and quality objectives.

Cross-departmental monitoring

Chery Auto’s supplier quality engineers work jointly with R&D and production teams to dynamically review submitted materials, identify potential risks (e.g., compliance of environmentally friendly materials, process stability), and drive timely, closed-loop corrective actions.

Special audit mechanism for Production Part Approval Process (PPAP)

To ensure that suppliers’ mass production capabilities meet Chery Auto’s quality standards, the Company strictly requires all parts to obtain formal approval through the Production Part Approval Process (PPAP) before they can be supplied in bulk. Besides newly developed parts, any product changes must also pass PPAP approval before being switched, thereby ensuring that the quality of all changed parts remains under strict control:

Independent review authority of quality engineers

Quality engineers independently conduct technical evaluations of the PPAP documents submitted by suppliers, including design records, engineering change documents, DFMEA (Design Failure Mode and Effects Analysis), PFMEA (Process Failure Mode and Effects Analysis), control plans, measurement system analysis studies, full-dimensional inspection results, material/performance test reports, etc. Particular attention is given to environmental compliance (such as RoHS and REACH) and consistency of the production process.

Physical quality verification

In addition to document review, quality engineers perform laboratory testing and on-site inspections of suppliers’ trial production samples to ensure the stability of the production process, the capability of production equipment, standardisation of personnel operations, and effectiveness of quality control measures.

Approval and release

Upon satisfactory document review, on-site evaluation, and sample testing, Chery Auto grants PPAP approval for the production part. Only parts with PPAP approval are allowed for mass production and supply; those failing approval must be rectified and resubmitted for review as required.

By strictly implementing the above PPAP procedures, a total of 116,690 parts passed PPAP in 2024. New projects achieved a 100% compliance rate with Chery Auto’s quality requirements, effectively ensuring the stability and reliability of product quality.

Multi-level Review Penetration Mechanism

To ensure supply chain quality, Chery Auto has established a multi-tiered supplier quality assurance system: indirect suppliers undergo qualification audits and on-site assessments to verify compliance with mandatory national certifications and contractual standards; meanwhile, direct suppliers are required to conduct quality inspections on their upstream indirect suppliers. Additionally, Chery Auto systematically organises internal teams and professional third-party agencies to perform independent quality verification of upstream deliverables, thereby ensuring that products and services delivered by indirect suppliers consistently meet quality standards and contractual requirements.

Digital Monitoring and Continuous Improvement

Chery Auto leverages its supply chain quality management platform to visualise the progress of Advanced Product Quality Planning (APQP) and Production Part Approval Process (PPAP):

Digital tracing

Chery Auto’s Production and Logistics Integration System (LES system) covers 100% of key components. Scanning QR codes enables traceability to supplier identity, batch number, assembly time, operator, and equipment parameters.

Real-time progress tracking

The system automatically alerts on delayed milestones, encouraging suppliers to stay on schedule.

Data-driven decision making

An aggregated issue database analyses frequent defect types, enabling targeted supplier capability training (e.g., clean technology/process application and optimisation).

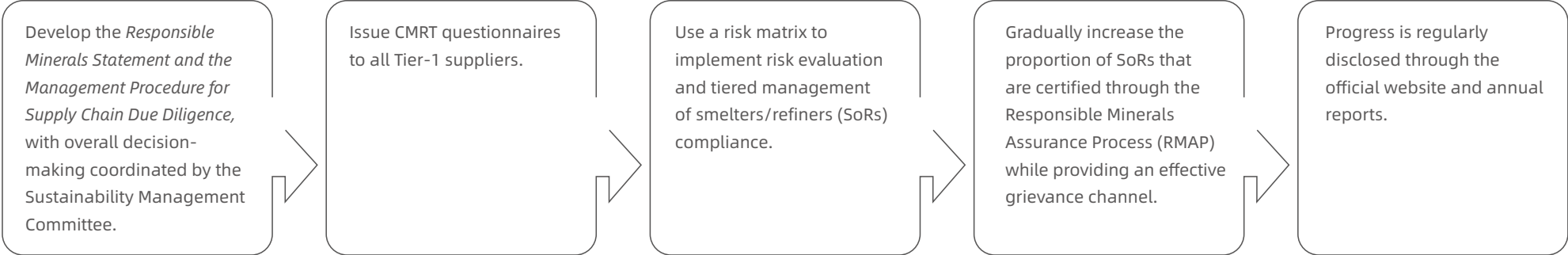
ESG performance integration

Execution quality of APQP and PPAP is incorporated into suppliers’ annual evaluations, serving as a key criterion for order allocation and long-term collaboration.

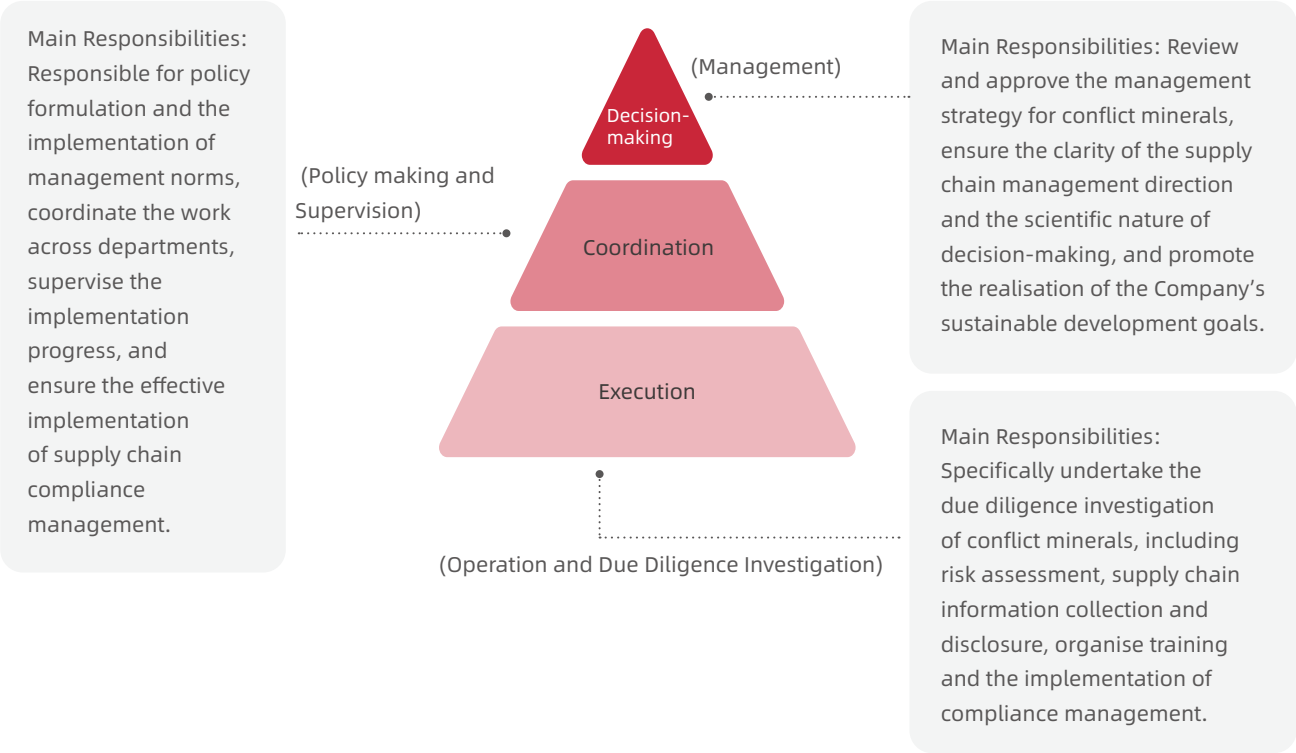
Through full lifecycle management of APQP/PPAP, Chery Auto achieves proactive quality risk mitigation, deeper supply chain accountability, and enhanced compliance transparency.

Responsible Minerals

Chery Auto does not directly procure or use 3TG metals (tin, tantalum, tungsten, gold) in its daily operations and production activities. Furthermore, it is separated by multiple supply chain tiers from 3TG smelters/refiners (SoRs). The Company's effectiveness in raw material traceability largely depends on the cooperation of Tier-1 and other upstream suppliers. Chery Auto is committed to actively implementing responsible sourcing principles across its global value chain, strictly adhering to the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, the *EU Conflict Minerals Regulation*, and the Responsible Minerals Initiative (RMI) framework. It has established a due diligence system covering policy, organisation, processes, and digital systems:



Governance system of responsible minerals



Progress in 2024



Scope
Initiated conflict minerals due diligence with over 500 key suppliers, of which 419 completed the CMRT submission.



Assessment methods
questionnaires, on-site interviews, and data analysis.



Assessment content
Evaluated political risks, security risks, environmental risks, human rights risks, and more.



Risk mitigation
Issued corrective action plans to suppliers using non-compliant smelters/refiners (SoRs) and incorporated them into a regular monitoring system.



Training
Conducted specialised “Conflict Minerals” training for all Tier-1 suppliers and key Tier-2 suppliers.

Low-carbon Value Chain

In 2024, Chery Auto further enhanced its end-to-end carbon management loop by integrating carbon emissions reduction commitments into technology agreements, signing low-carbon cooperation accords, and setting short-, medium-, and long-term targets for the use of recycled materials in key raw materials. Scope 3 emissions (procurement and materials) were incorporated into value chain management. Additionally, in collaboration with the China Automotive Technology & Research Centre, Chery Auto launched the Environmental Collaboration Initiative of Supply Chain, providing carbon management guidance to all key suppliers across chassis, body, and electronic components.

To effectively manage carbon emissions of value chain and improve supply chain transparency and low-carbon performance, Chery Auto established a supplier carbon data management platform to systematically collect and analyse carbon emissions data across critical supply chain segments. The platform places special emphasis on the carbon footprint of key raw materials for power batteries, such as cobalt, lithium, nickel, manganese, and natural graphite, enabling comprehensive lifecycle carbon accounting. Through this platform, Chery Auto can monitor supplier carbon performance, identify and manage carbon data within the supply chain, optimise raw material procurement decisions, and accelerate the supply chain’s low-carbon transformation. Chery Auto has taken the lead in signing *Low-Carbon Cooperation Agreements* with key raw material suppliers, establishing a mechanism of “data sharing and joint technology development.” We plan to replicate the Low-Carbon Cooperation Agreement model in future collaborations with suppliers, extending it to key raw materials and high-carbon-intensity components. This initiative is expected to significantly enhance our Scope 3 emissions reduction potential.

Deforestation Procurement

We strictly comply with applicable forest protection laws and regulations in our operating countries and regions, including the *Forest Law of the People’s Republic of China* and the *EU Deforestation Regulation (EUDR)*. We continuously follow the progress to “halt and reverse global forest loss by 2030” as per the joint declaration of the UN Climate Change Conference in Glasgow (COP26), and we are committed to practicing deforestation trade. Particular attention is given to the management of supply chains involving rubber and wood products. We require suppliers to ensure that the raw materials they provide—including rubber, timber, and palm oil—are not linked to deforestation, illegal logging,

or ecosystem destruction, thereby promoting a transition toward a nature-positive economy across the supply chain.

Looking ahead, we will continue aligning our practices with emerging global standards, such as the Taskforce on Nature-related Financial Disclosures (TNFD) and the Accountability Framework Initiative (AFi), to better identify and manage key deforestation risks. This will enable us to more comprehensively assess our operational and value chain dependencies and impacts on nature, and to take appropriate and proactive action.



Responsible Marketing and Dealers Management

We have established a comprehensive, lifecycle-based dealer quality management system that encompasses 5 key stages: access review, network development, operational monitoring, performance evaluation, and market research. This closed-loop system ensures standardised procedures, controlled processes, and traceable outcomes across our global dealer network. Through rigorous qualification assessments and capability-building initiatives, we safeguard the healthy and efficient operation of our worldwide dealership network.



Dealers Management Procedure

Access

A network entry review committee is established to strictly assess dealer qualifications. The review covers aspects such as industry experience, financial capability, store conditions, and organizational capacity. Based on the evaluation form Software and Hardware Evaluation Form, only those who meet a certain standard and have a good industry reputation may be granted access.

Construction

A professional third-party company is commissioned to implement unified store image design. Throughout the process, it oversees progress, drawing reviews, and provides guidance on store construction. Final on-site inspections are conducted to ensure that terminal store standards are effectively implemented.

Monitoring

We establish a network operation inspection mechanism that combines general distributor self-inspections, regional on-site inspections, and spot checks by Network Support Department personnel. We coordinate with sales regions, general distributors, and subsidiaries to drive improvements in identified weaknesses.

Evaluation

We evaluate and issue early warnings on dealer service performance by conducting Sales Service Satisfaction Index (SSI) surveys and spot checks on actual operations. The spot checks cover aspects such as store operation quality and sales communication, with scoring mechanisms in place. For identified weaknesses and potential risk areas, dealers are urged and assisted to implement timely improvements.

Empowerment

We conduct regular assessments of dealer capabilities and collect feedback on training needs to coordinate annual training resources. In 2024, 98% of the Company's 6,285 dealers received training. We conducted 2,428 dealers training sessions, with a total duration of 30,606 hours.



Responsible Marketing Practices in 2024

Chery Auto strictly adhered to the *Advertising Law of the People's Republic of China*, the *Consumer Rights Protection Law of the People's Republic of China*, and other applicable regulations in its operating regions. Key initiatives in 2024 included:

Key points review

Following documents such as the *Brand Management Manual*, with heightened scrutiny on sensitive content. Misleading statements and comparative denigration were strictly prohibited.

Capability building

Chery Auto achieved 100% training coverage on responsible marketing for both domestic dealerships and overseas distributors. Dealers training sessions were conducted throughout the year, covering topics such as new product knowledge, job certification, service standards, quality management, health and safety, and real-world case studies.

Supervision and verification

We have issued requirements regarding consumer communication compliance and sales policies, and are planning to establish a dynamic monitoring and penalty mechanism in 2024.

Building a Naturally-Friendly Distribution System

We are striving to build a nature-positive dealership system across the entire value chain, promoting the transition to low-carbon consumption through 3 key initiatives: In terms of low-carbon architecture, we propose environmental requirements for dealers and provide guidance and suggestions from building material selection to energy management systems. In terms of energy management, in addition to the standardized showroom requirements, we also hope dealers will pay attention to the use of solar energy and energy-saving cases such as intelligent lighting, and jointly explore the feasibility of energy-efficient operations. In terms of the renewable energy ecosystem, we encourage stores to improve the construction of renewable energy infrastructure and promote the establishment and improvement of the sales and service ecosystem for new energy products. This three-dimensional model of “hardware upgrade + service empowerment + consumer guidance” aims to achieve energy conservation and emission reduction at sales terminals, as well as effectively cultivate consumers’ environmental awareness and green consumption habits.



Green Commitment

Chery Auto adheres to the new philosophy of “ecology first, green development,” driving innovation to achieve a low-carbon, green transformation across the entire value chain. We have established a green transition framework spanning from strategic planning to production operations, embedding circular economy principles throughout the product lifecycle from design and manufacturing to usage and recycling. This systematic approach to sustainability not only strengthens our resilience against climate change but also fosters collaborative partnerships with suppliers, dealers, and customers to jointly promote a green mobility ecosystem, realising a win-win outcome for both economic and environmental benefits.

Key performance

- Annual sales of new energy passenger vehicles exceeded 479,200 units, representing a year-on-year increase of 267.40%. New energy vehicles accounted for 20.87% of total passenger vehicle sales
- Two national “Green Factory” titles awarded; Three enterprises selected for Anhui Province's first Net-zero Carbon Industrial Park preparation list; One Intelligent Microgrid project; One national “Green Supply Chain Management Enterprise”; Two factories received A-grade performance ratings for heavy pollution weather; Six China vehicle production bases obtained ISO 14001 certification; Five China vehicle production bases obtained ISO 50001 certification
- 30% green electricity of total electricity consumption at China vehicle production bases, 210.3 MW of photovoltaic grid-connected installed capacity at China vehicle production bases
- 96.77% of the total sold models accounted for Product Lifecycle Carbon Footprint in 2024
- RMB 224 million invested in pollution reduction and waste management environmental projects, up 90% year-on-year
- Strengthened battery traceability management, and obtained one of the first “China Battery ID Digital Identities.”
- Mineral oil recycling project achieved breakthroughs with a 95% comprehensive utilisation rate and a 76% base oil recovery rate
- Chery Auto officially signed the global “Cherish the Nature” cooperation project with the International Union for Conservation of Nature (IUCN), accelerating global strategic cooperation on resources and environmental protection

Key Topics

Carbon management and climate change
Resource use and circular economy
Energy efficiency

Water resource management
Pollution and emissions control
Biodiversity conservation



Respond to Climate Change and Low-Carbon Transition

Chery Auto recognises that climate-related risks and opportunities will have profound and far-reaching impacts on the global economy and social development. In response, we actively support China’s major national strategic goals of carbon peak before 2030 and achieving carbon neutrality before 2060, as well as the temperature control targets set by the Paris Agreement. We continuously strengthen our management of climate-related issues to enhance the Company’s climate resilience and adaptability. Following the Task Force on Climate-related Financial Disclosures (TCFD) framework and the International Sustainability Standards Board (ISSB)’s *IFRS S2—Climate-related Disclosures*, we manage and disclose climate-related matters across 4 key areas: governance, strategy, risk management, and metrics and targets.

Layout of Clean Technologies

Facing the urgent challenges of global climate change and the transition of the energy structure, the automotive industry must accelerate technological innovation to achieve high efficiency, energy savings, and sustainable development. Chery Auto actively embraces the concept of green development, driven by technological innovation, and is accelerating its low-carbon transformation. We are committed to providing global users with safer, more efficient, and more environmentally friendly mobility solutions. In 2024, the Company made breakthrough progress in multiple cutting-edge technology areas, including hybrid power systems, new energy batteries, high-efficiency electric drives, hydrogen engines, and renewable ethanol fuels, strongly advancing our journey toward net-zero goals.

In 2025, the Company will continue to increase investment in research and development, with a focus on advancing clean technologies, ensuring that total R&D spending will not be less than that of 2024.

Hybrid Technology

In 2024, Chery Auto actively advanced its technology layout centred around the self-developed fifth-generation Chery Super Hybrid System (C-DM), accelerating the full electrification and low-carbon transformation of its product lineup. Its hybrid technology offerings include the 3DHT165 system, known for excellent power and fuel efficiency, and the 1DHT150 system, recognised for ultra-long range and high performance, covering the JETOUR, EXEED, and Fulwin series models.

In terms of environmental benefits and energy conservation, we have significantly improved the efficiency of our hybrid systems through advanced flat-wire oil-cooled motor technology and high-performance Motor Control Units (MCUs). The motor reaches speeds up to 16,000 RPM and features an X-pin winding design that increases slot fill rate to 74% while reducing copper usage by 3.7%. Innovative variable frequency technology and ultra-wide-angle oil cooling design boost the overall vehicle transmission efficiency to 98.5%. Additionally, through gear surface vibration reduction optimisation and harmonic injection technology, system noise levels are reduced to an industry-leading standard, greatly enhancing the user experience.

The Company has independently developed a 100% low-carbon, high-strength, and high-toughness integrated die-cast aluminum alloy, significantly reducing carbon emissions during the material phase and lowering energy consumption throughout the production process. The shock tower and rear longitudinal beam have achieved weight reductions of 34% and 15% respectively, further decreasing energy consumption during use. For example, the new Fulwin A8 equipped with a 3.3 kW Vehicle-to-Load (V2L) external power discharge function achieves a tested fuel consumption of less than 4 liters per 100 kilometers and a comprehensive driving range exceeding 2,000 kilometers, demonstrating outstanding low-carbon performance.

The Company’s hybrid technology has undergone rigorous environmental adaptability testing, including extreme conditions such as -35°C severe cold, 50°C high temperatures, and altitudes of 5,000 meters. In total, 141 prototypes have been tested, accumulating 1.45 million kilometers of bench tests (equivalent to circling the Earth 36 times), alongside 45 complete vehicles undergoing 2 million

kilometers of real-world validation. These tests fully ensure the safety and reliability of the products.

With the world-first “P2+P2.5+P4” tri-motor architecture and the independently developed 3-speed intelligent electric hybrid DHT, the Chery Super Hybrid 3DHT has been successfully applied to the JETOUR Shan Hai T2 AWD model. It accelerates from 0 to 100 km/h in just 5.5 seconds, offers a pure electric driving range of 206 kilometers, and achieves a combined range exceeding 1,200 kilometers, demonstrating Chery Auto’s strong competitive edge in green power technology.

In 2024, Chery Auto’s hybrid technology system was honored with awards including the “China Heart” Top 10 Engines of the Year and the 3rd World Top 10 Hybrid Systems. The Company has accumulated over 100 invention patents. With a comprehensive hybrid lineup covering PHEV, REEV, and HEV models, Chery Auto meets diverse user needs across urban commuting, long-distance travel, and off-road scenarios, actively driving the transition to low-carbon transportation.

New energy vehicles sold in 2024

479,200+ units

Accounting for

20.87%

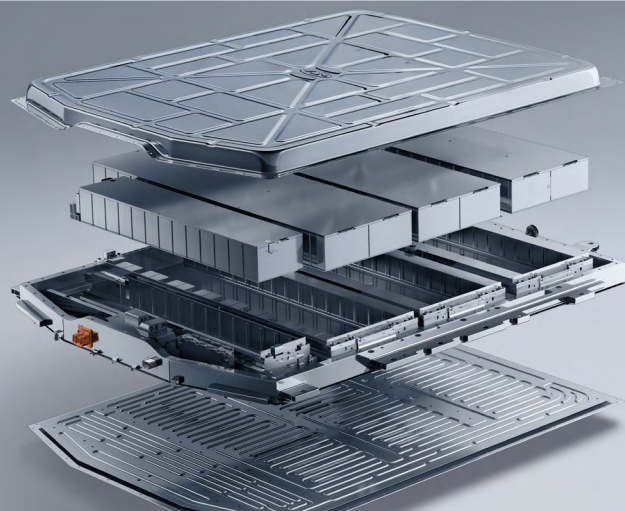
of total passenger vehicle sales

Battery Technology

Chery Auto has independently developed the latest generation of lithium iron phosphate (LFP) batteries, specifically focused on the PHEV segment. These batteries feature a maximum pulse discharge rate of up to 18C and a peak charging rate of 4C, enabling rapid charging from 30% to 80% state of charge (SOC) in just 15 minutes, significantly enhancing the user charging experience. For example, the self-developed power battery in Chery Auto's plug-in hybrid model, the Fulwin A8, maintains 70% to 80% capacity health after extensive use, supporting a cumulative pure electric driving range of 300,000 to 375,000 kilometers. Additionally, the battery cells utilise advanced manufacturing processes that reduce internal resistance and heat generation, effectively improving charging efficiency and safety. The battery cells also boast a cycle life exceeding 5,000 times, enabling a total pure electric vehicle range of up to 500,000 kilometers, delivering an excellent balance of fast charging capability and long lifespan.

In terms of safety, Chery Auto places great emphasis on managing the safety risks of its power batteries. The independently developed batteries have undergone rigorous testing and validation, demonstrating exceptional performance even when subjected to severe conditions, such as being compressed to 50% deformation followed by a nail penetration test, without catching fire, smoking, or venting. This remarkable resilience vividly embodies Chery Auto's commitment to "a safety standard that can only be called Chery Safety."

In 2025, Chery Auto will continue advancing its strategic development of power battery technology, with plans to launch the next-generation high-performance short-tab battery. This innovation will not only significantly enhance the practicality of new energy vehicles but also mark a key milestone in Chery Auto's journey toward low-carbon transformation.



CASE

Chery Auto Earns One of the First Batch of "China Digital Battery ID", Advancing Full Lifecycle Management of Power Batteries

In 2024, Chery Auto actively participated in the "China Digital Battery ID" programme initiated by the China Automotive Technology and Research Centre Co., Ltd., collaborating with partners across the industry chain to establish a digital management platform for power batteries. The programme aims to develop a unified set of standards, methodologies, and technical frameworks to deliver transparent, trustworthy, and controllable data management solutions for power batteries.

At the 2024 China Battery ID Achievement Conference held in December, 2024, hosted by the Automotive Energy Conservation and Green Development Evaluation Centre and organised by China Automotive Data Co., Ltd., Chery Auto was among the first companies to receive the "China Digital Battery ID." Alongside industry peers, Chery Auto showcased key battery product information, performance parameters, sustainability data, and supply chain transparency details. This milestone marked a critical breakthrough in moving from battery planning and design to practical application, providing a solid data foundation for comprehensive carbon management throughout the power battery lifecycle.



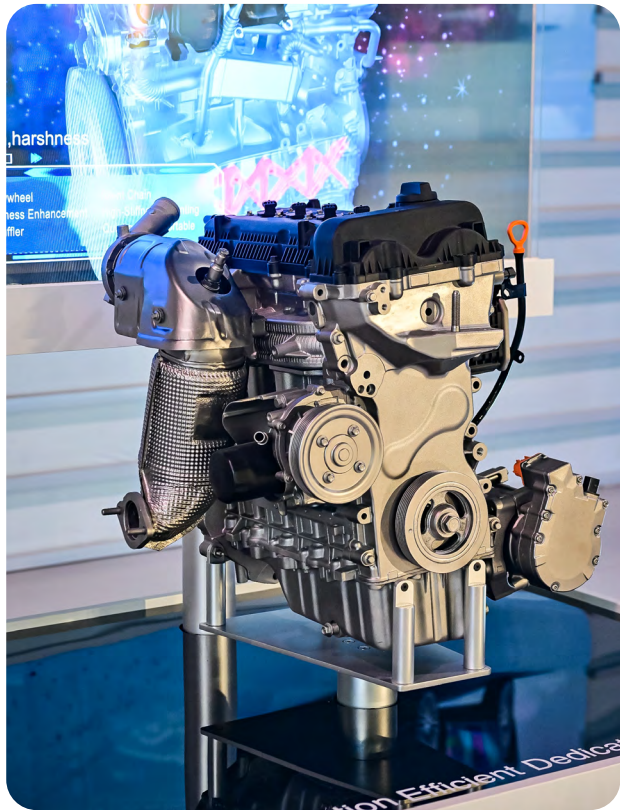
Electric Drive Technology

In 2024, Chery Auto launched its first electric vehicle built on an 800V high-voltage electric drive platform. The model features a self-developed silicon carbide (SiC) power module and a high-efficiency permanent magnet synchronous motor, boosting the overall efficiency of the electric drive system from the industry standard of 89% to 92%. This improvement significantly reduces vehicle energy consumption. Looking ahead, Chery Auto plans to further expand the adoption of 800V technology to continue driving energy efficiency upgrades across its new energy vehicle lineup.

In response to the industry’s growing demand for highly integrated and lightweight electric drive systems, Chery Auto completed several advanced research projects in 2024 and successfully translated them into practical innovations. The Company independently developed its first high-integration seven-in-one electric drive assembly, the AEH240, which has passed product validation and received the “High-Quality E-Drive” certification from the China Automotive Technology and Research Centre (CATARC). In the field of axial flux motor technology, Chery Auto has applied this innovation to its generator systems, achieving a 27% weight reduction without compromising performance. This advancement not only lowers overall vehicle weight and material usage but also enhances vehicle energy efficiency and reduces upstream resource consumption.

Looking ahead, Chery Auto will continue to drive innovation in electric drive technologies by focusing on the development and application of rare-earth-free and low-rare-earth motors. The Company will also advance the use of high-performance magnesium alloy motor housing material featuring high strength and toughness, corrosion resistance,

and lightweight properties, accelerate the commercialisation of next-generation power semiconductor technologies such as gallium nitride (GaN), and optimise software algorithms for electric drive systems. Meanwhile, Chery Auto is actively investing in the R&D of next-generation, highly integrated eighteen-in-one electric drive assemblies. These efforts aim to significantly reduce product energy consumption, minimise reliance on rare resources, and continuously improve the environmental performance of the entire supply chain.



Hydrogen Engine

As one of the earliest domestic automakers to venture into the hydrogen energy sector, Chery Auto has been continuously advancing research and development in hydrogen internal combustion engine (HICE) technology, achieving significant milestones along the way.

In 2024, Chery Auto successfully overcame key technical bottlenecks in hydrogen energy utilisation with the independent development of its 2.0-liter hydrogen internal combustion engine. The Company resolved industry-recognised challenges such as hydrogen embrittlement, knock, and backfire. Verified by third-party authoritative bench testing, the engine achieved a leading effective thermal efficiency of 44%, highlighting Chery Auto’s competitive edge in core powertrain innovation. The hydrogen engine has already been deployed in a demo vehicle based on the EXEED VX platform, laying a solid foundation for the future commercialisation of hydrogen-powered hybrid vehicles.

Chery Auto actively supports the global carbon neutrality agenda and will continue to increase investment in hydrogen energy R&D. Upholding a strategy of open collaboration, the Company is working closely with upstream and downstream partners across the value chain to promote large-scale application and ecosystem development of hydrogen-powered vehicles. Through concrete actions, Chery Auto aims to drive the sustainable transformation of the global transportation energy system and offer a leading Chinese solution to achieving global net-zero goals.

Ethanol Fuel Technology

Chery Auto has long been committed to the field of renewable fuels, with more than a decade of dedicated research and application of ethanol fuel technologies. The Company has successfully addressed key technical challenges such as cold-start difficulties, material corrosion, and component swelling associated with ethanol fuels, while also overcoming major obstacles to the mass production of ethanol-powered vehicles. Since 2016, Chery Auto has launched a range of models in the Brazilian market equipped with E27 ethanol-compatible and Flexfuel (E27-E100) engines, achieving notable market success. Between 2021 and 2024, Chery Auto sold approximately 200,000 ethanol-fueled vehicles in Brazil, with Flexfuel models accounting for 70% of those sales, effectively supporting the country’s low-carbon mobility transition strategy.

In 2025, Chery Auto will further advance its ethanol fuel technology roadmap by launching a new plug-in hybrid electric vehicle (PHEV) compatible with higher-ratio E32 ethanol fuel. This move aims to further reduce vehicle carbon emissions while enhancing flexibility in energy utilisation.

Climate Management

I Governance

Chery Auto has integrated climate-related matters into the supervision responsibilities of its Board of Directors, ensuring that the Board reviews these issues at least once annually. Climate-related decision-making has been embedded within the Company’s broader sustainability governance framework to enable systematic planning and coordinated advancement of climate action initiatives. Carbon management is deeply integrated across key business functions, including strategy, R&D, and manufacturing. The Company also incorporates stakeholder expectations regarding climate governance into its decision-making process, continuously enhancing the scientific rigor and effectiveness of its climate-related governance.

I Strategy and Risk Management

Chery Auto considers its new energy strategy a core initiative in addressing climate change and is systematically advancing its low-carbon transition through three key measures: first, establishing a climate risk management system that covers the entire value chain and fully integrates environmental considerations into corporate strategic decision-making; second, developing differentiated response plans based on identified climate risks and opportunities; and third, continuously optimizing management mechanisms to strengthen climate resilience. This integrated “Prevention-Response-Enhancement” management model not only demonstrates the responsibility of a leading automaker but also provides systematic support for sustainable development.

In 2024, we systematically conducted a comprehensive greenhouse gas (GHG) emissions inventory covering the period from 2021 to 2024, aiming to establish a complete carbon emissions database. This inventory strictly adhered to the internationally recognised GHG Protocol standards, ensuring full alignment between organisational boundaries and financial consolidation scopes to guarantee data accuracy and comparability. Specifically, emissions verification for Scope 1 and Scope 2 was completed for 2021-2022, while the analysis expanded to include full value chain Scope 3 emissions for 2023-2024. Through 4 years of data monitoring, we built a carbon emissions database, providing solid data support for accurately understanding emission characteristics, formulating a carbon neutrality roadmap, improving the carbon management system, and enhancing Company-wide emissions reduction awareness.

As a key component of ESG digital system, we have accelerated the construction of our carbon management digital platform and achieved breakthrough progress, laying a solid foundation for accurately forecasting carbon-related risks across the entire value chain and formulating product carbon strategies. In 2024, based on carbon accounting standards such as the GHG Protocol, ISO 14064 Greenhouse Gas Protocol, and ISO 14067 Quantification and Reporting of the Carbon Footprint of A Product, we completed the development of a dual-module system for corporate and product carbon accounting. This system enables automated collection, calculation, and tiered reporting of operational scope carbon emissions, as well as model-based accounting of vehicle lifecycle carbon footprints. Our carbon management capabilities have achieved a qualitative leap, providing stronger support for developing carbon emission reduction strategies.



Climate-related Risks

Type	Risk categories	Time horizon	Risk description	Potential financial impacts	Measures
Transition risks	Policies and laws	short- and medium-term	Changes in regulatory requirements for products and services: The increasingly stringent emission standards for motor vehicles may increase investment in emission reduction technology improvement.	Increase in operating costs	Continuously monitor policy change trends, strengthen the assessment of industry development situations, and increase investment in transformation.
		short- and medium-term	Changes in ESG-related rules and guidelines: As global ESG rules and directives are strengthened and continuously changing, it is necessary to always pay attention to the sustainable management requirements faced.	Increase in compliance costs Increase in operating costs	Continuously monitor global ESG policies and regulatory trends, and strengthen ESG management.
		short- and medium-term	Risks of product export investigations: The EU has launched an anti-subsidy investigation into imported pure - electric vehicles originating from China, and exports of new energy vehicle models may be restricted.	Decrease in operating revenue	Actively study the impact of regulations, formulate response strategies, continuously enhance innovation capabilities, and strengthen competitive advantages.
		medium- and long-term	Reconstruction of trade rules: The new global trend of green trade has emerged. International low-carbon trade rules such as the EU’s Carbon Border Adjustment Mechanism (CBAM) have been gradually established and implemented, which may increase the cost of automobile exports.	Increase in operating costs Decrease in operating revenue	Track global climate-related laws and regulations, establish and improve the product carbon footprint management system, and explore carbon reduction technologies throughout the product lifecycle.
	Technology	medium- and long-term	Product and technology substitution: The transformation to a low-carbon economy has expanded the supply and consumption of new-energy vehicles, and traditional fuel-powered vehicles may be forced to be phased out at an accelerated pace.	Decrease in operating revenue	Continuously optimise the production capacity layout and adjust the production line and product strategies in a timely manner.
		medium- and long-term	R&D investment: To meet the market demand for low-carbon products and technologies, the Company will increase R&D investment. However, there may be a risk that the R&D progress is lower than expected.	Increase in operating costs	Optimise the R&D strategy, strengthen the layout of core technology talents and improve the ability to tackle key problems.
	Market	short-, medium-& long-term	Market changes: Under the green and low-carbon transformation, the new energy vehicle industry is developing rapidly, and traditional fuel vehicles may lose market share and competitiveness.	Decrease in operating revenue Devalue original assets	Actively explore fuel-saving technologies, improve the energy efficiency of traditional fuel vehicles, and optimise and transform existing equipment and facilities; strengthen the layout in the field of new energy vehicles.
		short-, medium-& long-term	Changes in customer demand: The products in the automotive market are iterating rapidly, and consumers’ demands are diversified. The existing models may not meet consumers’ expectations.	Decrease in operating revenue	Actively adapt to market changes, formulate diversified product development strategies to meet different consumer needs.
		short-, medium-& long-term	Increase in cost of supplied materials: To meet more stringent environmental and carbon emission regulatory requirements, partners need to adapt and upgrade, leading to an increase in the cost of their supplied products.	Increase in operating costs	Reduce dependence on a single source of supply, search for and develop alternative materials, and steadily promote the use of environmentally friendly materials.
	Reputation	short-, medium-& long-term	Brand image: In the current market environment and with the attention of various stakeholders, if the Company fails to fully demonstrate its ability and practical results in addressing climate change and improve the transparency of climate-related information, it will face the risk of damage to its brand image.	Increase in operating costs	Actively promote carbon emission reduction throughout the product lifecycle and the industrial chain, improve the quality and transparency of climate information disclosure, and enhance brand resilience and reputation.
Physical risks	Acute	medium- and long-term	Extreme weather and natural disasters: Frequent occurrences of extreme weather such as heavy rain, hail, and thunderstorms, and the increasingly severe impact of disasters may endanger the safety of employees and the Company’s physical assets; it may also induce supply chain disruptions and production stoppages.	Increase in operating costs Increase in insurance expenditure	Strengthen climate early warning and forecasting, formulate contingency plans, and enhance the ability to cope with extreme weather; establish safety stocks and gradually develop the ability to self-research and self-manufacture components.
	Chronic	medium- and long-term	The global temperature continues to rise: Extreme weather such as extremely high and low temperatures causes operating and production facilities like air-conditioners to consume more energy to meet operating conditions; glacier melting may affect the accessibility of international transportation routes.	Increase in operating costs Increase in operating revenue	Analyse energy consumption trends, strengthen energy conservation and emission reduction; diversify the layout of transportation routes.

Climate-related Opportunities

Opportunity categories	Time horizon	Opportunity description	Potential financial impact	Management measures
Resource efficiency	medium- and long-term	Material recycling technologies and related innovative products and solutions are becoming increasingly mature and recognised by the market.	Decrease in operating costs Increase in operating revenue	Research, develop and use renewable and recyclable materials.
Energy sources	short-, medium-and long-term	- The market offers more renewable or low-carbon energy supplies, with diverse energy options and balanced prices. - The market anticipates innovative solutions and products for power systems.	Increase in operating revenue Increase in operating revenue	- Accelerate the optimisation of the energy structure. - Strengthen the research and development of power systems and product applications.
Products and services	medium- and long-term	The regulatory authorities have issued policies to promote the construction of a market-oriented mechanism for the coordinated development of energy-saving and new energy vehicles.	Increase in operating revenue	Accelerate the technological innovation and upgrading of new energy vehicles and continuously improve the product performance of traditional fuel vehicles.



Metrics and Goals

In 2024, the Company focused on implementing carbon inventory work covering all business areas, especially systematically conducting an inventory of greenhouse gas emission data from 2021 to 2024. Through systematic

and platform-based data collection and analysis, we will continue to monitor greenhouse gas emissions through digital platform in the future.

GHG emissions

Indicators		Unit	2023	2024
GHG emissions (Scope 1)		tCO ₂ e	139,965.90	202,687.43
GHG emissions (Scope 2)	Market-based	tCO ₂ e	363,502.00	530,395.09
	Location-based	tCO ₂ e	N/A	573,094.68
GHG emissions (Scope 3)	Total	tCO ₂ e	N/A	97,718.10
	Category 3: Fuel- and energy-related activities	tCO ₂ e	N/A	29,092.98
	Category 6: Business travel	tCO ₂ e	N/A	42,645.45
	Category 7: Employee commuting	tCO ₂ e	N/A	25,979.67
GHG emissions (Socpe 1 and 2)		tCO ₂ e	N/A	733,082.52
GHG emission density (Scope 1 and 2)	Scope 2 emission densityis calculated basedon the market-based method	tCO ₂ e per vehicle	0.29	0.30

GHG Goals

We have aligned our strategy with China's carbon peak and carbon neutrality goals and elevated low-carbon transformation as one of Chery Auto's 5 strategic pillars—Electrification, Intelligence, AI Integration, Low-Carbon Transition, and Globalisation. In line with the 1.5°C temperature rise pathway of the *Paris Agreement*, we have set a company-wide carbon neutrality target and are committed to driving a comprehensive green and low-carbon transition across our operations. We pledge to achieve the following GHG emissions reduction targets:

- **Carbon Neutrality Goal of Value Chain**

To achieve carbon neutrality across the value chain by 2047, the company's 50th anniversary.

- **Carbon Neutrality Goal of Operation**

To achieve carbon neutrality in its own operations by 2037, the company's 40th anniversary.

- **Short-term Goal of GHG Emission Reduction**

Compared to the baseline year of 2023, achieve a 60% reduction in average GHG emissions per vehicle manufactured by 2030.

Based on GHG emission data, we have established key carbon management targets at both the operational and product levels to enable long-term monitoring and management of performance, thereby promoting continuous improvement in climate governance and climate action outcomes.

In 2024,

Product carbon footprint accounting covers

60 vehicle models

Product carbon footprint accounting covers

96.77 % of the total sold models



Low-Carbon Operations

Chery Auto is committed to achieving a synergy between economic and environmental benefits by deeply embedding sustainability principles into all aspects of its operations, including R&D, procurement, manufacturing, and logistics. The Company continues to build a green and low-carbon operational system, enhance the environmental friendliness of its products, and promote sustainable development.

Green and Low-Carbon R&D

Chery Auto integrates the 4 core concepts of environmental protection, energy conservation, health, and safety throughout the entire product development process. Leveraging intelligent manufacturing upgrades and low-carbon material substitution technologies, the Company is implementing a comprehensive life cycle carbon footprint management programme. Chery Auto continuously optimises vehicle body structures, adopts lightweight technologies, and enhances powertrain performance. At the same time, it promotes a “three-in-one zero-waste design” strategy, platform-based vehicle development, modular component design, and standardised interface definitions, significantly improving product energy efficiency and cost-effectiveness while delivering greener, more competitive vehicles.

- In terms of product carbon footprint, we plan to achieve a 5% reduction in carbon emissions per vehicle by 2026 compared to the 2023 base year. This was accomplished through the use of recycled materials such as recycled steel, recycled aluminum alloys, and recycled plastics, as well as carbon emissions reduction measures in power battery production.
- We have formulated a series of system documents, including the *Automotive Product Life Cycle Carbon Footprint Management Measures*, to strengthen the calculation and management of carbon footprint data throughout the full life cycle of our vehicle models. These efforts ensure the accuracy, traceability, validity, and compliance of carbon footprint data. In 2024, we completed full-vehicle carbon footprint assessments for 96.77% of our models currently on the market.

Usage of recycled materials
In 2024

Proportion of recycled aluminum and copper used

16%

Proportion of recycled steel materials used

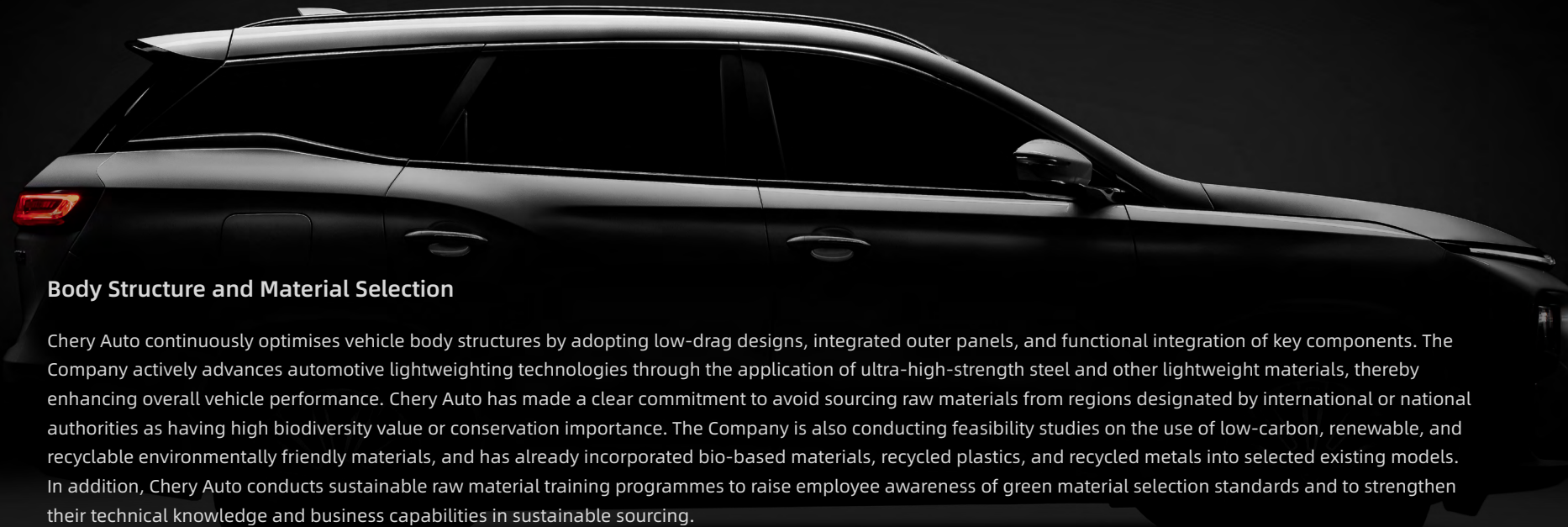
10%

Proportion of recycled plastic materials used

0.9%

Body Structure and Material Selection

Chery Auto continuously optimises vehicle body structures by adopting low-drag designs, integrated outer panels, and functional integration of key components. The Company actively advances automotive lightweighting technologies through the application of ultra-high-strength steel and other lightweight materials, thereby enhancing overall vehicle performance. Chery Auto has made a clear commitment to avoid sourcing raw materials from regions designated by international or national authorities as having high biodiversity value or conservation importance. The Company is also conducting feasibility studies on the use of low-carbon, renewable, and recyclable environmentally friendly materials, and has already incorporated bio-based materials, recycled plastics, and recycled metals into selected existing models. In addition, Chery Auto conducts sustainable raw material training programmes to raise employee awareness of green material selection standards and to strengthen their technical knowledge and business capabilities in sustainable sourcing.



Powertrain Iteration and Upgrading

Chery Auto has comprehensively upgraded its 3 core powertrain technologies—internal combustion, hybrid, and pure electric. In the internal combustion segment, the Chery 2.0TGD engine delivers a maximum output of 180 kW and peak torque of 375 N·m, achieving a balanced improvement in both performance and efficiency. The latest-generation Chery Tiggo 8 PLUS, equipped with this engine, boasts a combined fuel consumption of just 7.7 liters per 100 kilometers. For hybrid technology, Chery Auto has launched the Chery Super Hybrid C-DM5.0 system, which integrates the 5th-generation ACTECO 1.5 TGD engine, a stepless super electric hybrid DHT, and the Guardian battery safety system. The Chery Fulwin A8, featuring this hybrid system, delivers a combined range of up to 1,400 kilometers. In addition, Chery Auto has introduced the Xiniu battery brand, establishing a battery technology system built around fast charging, long range, extended lifespan, and high safety.



CASE

Tiggo 9 Wins 2024 Fabulous Automotive Design Award – “Green Design Award”

In December 2024, the inaugural Fabulous Automotive Design Award, hosted by China Automotive Technology & Research Centre Co., Ltd. and organised by CATARC Information Technology (Tianjin) Co., Ltd., announced its winners. The Chery Tiggo 9 was honored with the “Green Design Award” for its outstanding green design philosophy and innovative environmental technologies. The model features the C-PURE Clean Cube green cabin

technology, integrating eco-friendly materials and an intelligent air purification system that includes PM2.5 monitoring, negative ion purification, and CN95-grade filters, creating an industry-leading healthy driving environment. Additionally, through a combination of lightweight body construction and an optimised high-performance powertrain, the Tiggo 9 significantly enhances fuel economy and environmental performance.



CASE

EXEED EXLANTIX ET Named No.1 Low-Carbon Leader in C-Class REEV SUVs

In July 2024, at the “2024 Automotive Industry Low-Carbon Action Plan Development Forum” hosted by the Automotive Industry Energy Conservation and Green Development Evaluation Centre, the EXEED EXLANTIX ET was honored with the title of “2024 Low-carbon Car Top Runner.” This model became the first REEV hybrid passenger vehicle to receive this prestigious national-level certification. The evaluation was rigorously based on professional data from the China Automotive Industry Carbon Disclosure Platform (CPI) and the China Green Car Assessment Programme (C-GCAP). The award was granted to the model with the lowest carbon footprint within its category, determined through precise full life-cycle carbon emission calculations. The EXLANTIX ET stood out with an outstanding environmental performance of 214.9 grams CO₂ equivalent per kilometer, significantly outperforming the industry average. Its vehicle life-cycle carbon emissions were reduced by 86.62 grams CO₂ equivalent per kilometer compared to the industry average, setting a new low-carbon benchmark in the 2024 C-Class REEV SUV segment.



The “Low-Carbon Car Top Runner” is jointly assessed by the China Automotive Energy Conservation and Green Development Evaluation Centre and the China Automotive Carbon Digital Technology Centre Co., Ltd.. Leveraging the Automobile Industry Chain Carbon Publicity Platform (CPI), the model selects vehicles with the lowest carbon emissions throughout the entire life cycle among their peer models.

Green and Low-Carbon Procurement

We strictly implement environmental protection requirements throughout raw material selection, production processes, and logistics, driving the entire industry chain toward a resource-efficient and environmentally friendly development model. By establishing the the Carbon Management Statement of supply chain and its supporting management system, we have built a collaborative emission reduction mechanism covering the whole industry chain. While optimizing our own carbon emission management, we work closely with upstream and downstream partners to jointly develop innovative carbon emissions reduction solutions. In 2024, leveraging our independently developed system, we completed full life-cycle carbon audits for 60 vehicle models and over 30,000 components, identifying key emission sources and evaluating green energy efficiency, thereby customizing scientific emission reduction roadmaps for our suppliers.

In 2024, over 95% of suppliers with newly signed technical agreements made carbon reduction commitments.



CASE

Chery Auto Supply Chain Roundtable: “Carbon Reduction and ESG Action on Supply Chain”

In June 2024, Chery Auto partnered with 28 core suppliers to host an ESG-focused seminar in Shanghai. During the event, participants and industry experts engaged in in-depth discussions on carbon emissions reduction collaboration mechanisms between vehicle manufacturers and parts suppliers. The meeting centred on 3 key topics: building coordinated ESG strategies, balancing sustainable development with economic benefits, and industry transformation pathways under carbon peak and carbon neutrality goals. By drawing on leading practices in environmental governance, social responsibility, and corporate management, the forum provided scalable sustainable development solutions for other supply chain enterprises.

Green and Low-Carbon Manufacturing

Chery Auto fully implements its green production strategy by establishing efficient and clean production systems, striving to build “zero-emission” green factories. The Company systematically advances the development of energy management systems, production waste management, and restricted substances control. It achieves full coverage of the entire production operation process, comprehensive monitoring and management of energy use at all stages, and full implementation of management policies and procedures.

By the end of 2024, Wuhu production base had achieved its target of reducing energy consumption per unit of product by 4% compared to 2023. Two China vehicle production bases were awarded the national “Green Factory” certification, three enterprises were selected for the Anhui Province's first Net-zero Industrial Park preparation list, and one intelligent microgrid demonstration project was successfully established.

Energy Management System Development

We have established a scientifically sound and comprehensive energy management system, strictly complying with the laws and regulations of our operating locations, including the *Energy Law of the People's Republic of China* and *Energy Conservation Law of the People's Republic of China*. Our China vehicle production bases have achieved 100% certification as per the energy management systems: GB/T 23331-2020, ISO 50001, and RB/T 119-2015, with the EMS energy management system covering 100% of operations. We have implemented a three-tier energy management structure supervised by the Board of Directors, formulated institutional documents such as the Energy Management Manual and the Energy Usage Management Measures, and continuously optimised technological innovation applications and employee training systems. By the end of 2024, Five China vehicle production bases had obtained ISO 50001 certification.

Energy Management Measures

Refined Energy Management: We have established an intelligent energy management platform that utilises an integrated energy management system to enable real-time data collection and visualisation of energy consumption across the entire production process, including core factory operations, power systems, and auxiliary equipment. Leveraging big data analytics and predictive algorithms, the system continuously generates optimisation recommendations to support the iterative improvement of energy-saving strategies. Additionally, we have introduced a third-party professional evaluation mechanism to regularly audit the performance of our energy management system and the energy efficiency of production equipment. Through quantitative analysis of energy loss points and identification of efficiency improvement opportunities, we have built a closed-loop management system for continuous improvement, ensuring ongoing enhancements in energy utilisation efficiency.

Multi-Dimensional Energy-Saving Improvements: We have established a systematic energy conservation and consumption reduction framework, achieving results beyond expectations through targeted technical upgrades, such as recovering steam condensate from the air-conditioning system in paint shops and upgrading to high-efficiency motors. In terms of cleaner production, we actively promote advanced manufacturing processes including integrated die-casting and low-temperature eco-friendly painting technologies, significantly reducing the carbon intensity of production. Leveraging energy-efficient equipment, such as intelligent microgrid systems, variable frequency control for stamping process cooling water, intelligent LED lighting, and high-efficiency HVAC systems, we have substantially improved overall energy utilisation efficiency. In 2024, we implemented 140 energy-saving optimisation projects, further enhancing the energy performance per vehicle produced.

Optimisation of Energy Structure: We systematically integrate both economic and environmental considerations into our energy strategy. By prioritizing the use of clean energy, we have accelerated the large-scale deployment of technologies such as photovoltaic (PV) power generation and geothermal heat pumps. At our major vehicle production bases, the development of PV power stations has been fast-tracked. In 2024, the total installed PV capacity at China vehicle production bases reached 210.3 megawatts, equivalent to a reduction of 74,800 tonnes of CO₂ emissions. This initiative has effectively strengthened our core competitiveness in green and intelligent manufacturing.

CASE

Clean Energy Microgrid – Binjiang Logistics Park

To enhance the utilisation of renewable energy at Chery Auto’s Binjiang Logistics Park, we launched an intelligent microgrid project built upon the park’s existing photovoltaic and energy storage infrastructure. This project integrates advanced technologies such as high-efficiency solar power, liquid-cooled energy storage, and AI-powered forecasting. It features functions including power generation prediction, load balancing, and carbon emission monitoring, significantly boosting the park’s clean energy consumption capacity and enabling low-carbon operations. In 2024, the Binjiang Logistics Park was successfully completed and put into operation, becoming one of the first certified net-zero industrial parks in Anhui Province. The park has deployed a 19.69 MW distributed photovoltaic system and a 27.52 MWh energy storage unit, ensuring 100% green power supply around the clock. Compared with the baseline scenario, this setup achieves an annual reduction of 2,323 tonnes of CO₂ equivalent emissions.



In 2024,

30 % green electricity of total consumption at China vehicle production bases

In 2025, we plan to increase the proportion of green electricity usage to

35 %

In 2024, China vehicle production bases achieved a grid-connected photovoltaic installed capacity of

210.3 MW

In 2025, we plan to add photovoltaic installed capacity

67 MW

In 2024, the energy storage systems were constructed and put into operation more than

56.3 MWh

Green and Low-Carbon Office

Chery Auto actively promotes a low-carbon office philosophy and advances the development of green, energy-efficient buildings. Its industrial plants are designed in accordance with green building standards, while public facilities such as dining Centres, administrative offices, and main gatehouses are constructed in strict alignment with China’s Two-Star Green Building Rating requirements. The Company is set to begin carbon emissions accounting based on the latest *General Code for Building Energy Conservation and Renewable Energy Utilisation*, with the goal of continuously optimizing carbon emissions reduction measures per unit area. The plant incorporates energy-saving design by maximising natural daylight to reduce lighting consumption. All roadways within the facility are equipped with high-efficiency LED lighting, supporting the development of a truly environmentally friendly industrial park.

We take a multi-faceted approach to raising low-carbon awareness across our workforce. Intelligent, time-controlled water dispensers have been installed throughout office areas, while clear energy-saving reminders are placed near power switches, water fixtures, and air conditioning controls. In elevator lobbies, signs encourage employees to take the stairs for trips within 3 floors as part of our “low-carbon travel” initiative. These thoughtful measures help us continuously improve energy efficiency in our daily operations and reduce the Company’s overall carbon footprint.

Green and Low-Carbon Logistics

Chery Auto is taking a systematic approach to optimising its low-carbon logistics system, with a strong emphasis on improving packaging and transportation efficiency. By assessing the carbon intensity of logistics operations, the Company has introduced intelligent management tools, streamlined transport routes, and adopted cleaner energy solutions. These initiatives have not only improved overall logistics efficiency, but also significantly reduced fuel consumption and emissions.



Intelligent Logistics Technologies

In 2024, Chery Auto established the Intelligent Logistics Technology Research Institute, ushering in a new era of intelligent logistics. The institute integrates academic and industry resources, focusing on the development and optimisation of logistics mathematical models. It promotes collaborative innovation between digital technologies and green logistics, significantly enhancing operational efficiency.



Efficient Transportation Strategies

Chery Auto utilises a digital transportation management system to collect and analyse data across all logistics nodes. Leveraging big data analytics, we continuously refine transportation strategies. By implementing innovative models such as intra-city circular pickups, cross-regional cargo consolidation, and collaborative shipments, we have significantly improved vehicle load efficiency and reduced transportation frequency, building a highly efficient, intensive logistics system.



Low-Carbon Transport Modes

Chery Auto actively promotes green logistics models, including direct river-sea transport and roll-on/roll-off (RoRo) shipping, increasing the share of railway, waterway, and new energy vehicles in external transportation. For internal logistics, electric forklifts and towing vehicles have been fully adopted, further expanding the application of clean-energy equipment.



Integrated Management & Collaboration

We have strengthened strategic collaboration with suppliers to promote integrated packaging across the supply chain. By applying the “Total Packaging” concept with standardizing packaging to meet export requirements, suppliers are now able to ship products directly, eliminating repackaging waste. In 2024, Chery Auto achieved a 50% direct-shipment packaging rate, representing a 7% increase over 2023.

Environmental and Resource Management

Chery Auto regards ecological and environmental protection as a central strategy for sustainable development. By establishing a comprehensive and science-based environmental management system, the Company takes a systematic approach to manage the ecological impact across its R&D, production, and operational processes. We continuously improve resource efficiency to ensure that industrial development progresses in harmony with the natural ecosystem.

Environmental Management

Chery Auto adheres to the environmental management policy of “protection first, full participation, and green development,” strictly complying with relevant international, national, and industry-specific laws and regulations. These include international conventions such as the *Convention on Biological Diversity*, national laws such as the *Environmental Protection Law of the People’s Republic of China*, the *Water Pollution Prevention and Control Law of the People’s Republic of China*, the *Atmospheric Pollution Prevention and Control Law of the People’s Republic of China*, the *Noise Pollution Prevention and Control Law of the People’s Republic of China*, *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, the *Soil Pollution Prevention and Control Law of the People’s Republic of China*, and the *Environmental Impact Assessment Law of the People’s Republic of China*. In addition, Chery Auto complies with key EU regulations such as the *Industrial Emissions Directive*, the *Net-Zero Industry Act*, and the *Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)*. The Company also adopts applicable rules, guidelines, and standards recommended by regulatory authorities and

industry organisations, upholding high environmental standards and striving to minimise its ecological and environmental impact.

To ensure the effectiveness of environmental management, Chery Auto has established a three-tier environmental governance structure and integrated environmental protection and energy-saving performance indicators into the performance evaluations of management personnel, aiming to drive continuous improvement in environmental performance. The Company has set up a Safety and Environmental Committee, which serves as the highest decision-making body for safety and environmental matters and is chaired by the Chairman of the Board. Under this committee, an Executive Committee has been formed to carry out day-to-day responsibilities. Members of the Executive Committee include leaders in charge of safety and environmental affairs from key business units and heads of relevant functional departments. The Safety and Environmental Department, together with the environmental teams across various units, is responsible for implementing environmental policies and achieving related performance targets through a tiered and structured management approach.

Since Chery Auto obtained ISO 14001 environmental management system certification in 2007, the certification coverage rate across its China vehicle production bases had reached 85.7% by the end of 2024. In line with the ISO 14001 framework, the Company has systematically reviewed relevant environmental laws and regulations on ecological protection, air emissions, wastewater discharge, solid waste treatment, and soil preservation. It identifies compliance

risks and formulates corresponding mitigation measures, while also gathering input from employee representatives and other stakeholders to publish policies. Supporting documents such as environmental manuals, procedural guidelines, and operational instructions have also been developed accordingly. In 2024, Chery Auto invested more than RMB 224 million in environmental protection, marking a 90% increase compared to 2023. These investments ensured compliance with environmental laws, regulations, and supervisory requirements, and effectively prevented environmental risk incidents. In 2024, the Company reported zero major environmental complaints or pollution incidents and has not been subject to any environmental violation penalties for 4 consecutive years.

Leveraging our integrated Safety and Environmental Protection (EHS) management platform, Chery Auto continues to enhance the precision and efficiency of its environmental management practices. In 2024, we upgraded the “Integrated Safety and Environmental Platform,” achieving 100% digitalised management of all relevant operations. In addition, we developed comprehensive panoramic business information dashboards for each functional area, enabling personnel to access real-time, visualised data for quicker and more informed decision-making. These efforts are driving a shift toward more refined and digitalised safety and environmental management across the organisation.



Pollution Prevention and Control

Chery Auto actively applies environmental governance standards across all its operating locations, comprehensively identifying and managing potential pollution risks throughout the value chain, including impacts on air, water, and soil. The Company continuously improves its pollution control measures to prevent environmental harm along the value chain and ensure the responsible handling of hazardous substances. Building on this foundation, we are committed to reducing emissions from our production processes and have established minimum environmental requirements for our suppliers. All business partners are required to comply with both applicable laws and Chery Auto’s specific environmental protection standards.

Solid Waste Management

Based on the *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes* and international best practices, Chery Auto has established a comprehensive solid waste lifecycle management system, which includes policies such as the *Solid Waste Pollution Prevention and Control Management Procedure*, *Hazardous Waste Management Measures*, and *Hazardous Waste Storage Safety Management Measures*. This system strengthens full-chain management of waste across its lifecycle, covering source classification, process monitoring, transportation and storage, and final disposal, to ensure that every stage is both compliant and traceable. Chery Auto actively promotes the creation of “zero-waste factories” and a “zero landfill” management model, striving to continuously improve waste recycling rates while reducing reliance on landfill and incineration. In 2024, the Company conducted a comprehensive audit

of its waste management system to identify areas for improvement in process optimisation, recycling, risk control, and compliance management. Targeted enhancement measures were developed to further refine the system, with a focus on systematically identifying opportunities for waste minimisation and resource efficiency.

Chery Auto has established a robust waste classification and treatment system to ensure the scientific and compliant handling of all waste streams. For hazardous waste generated during production , including paint sludge, waste water-based solvents, contaminated materials, used lead-acid batteries, and biochemical sludge, the Company adheres to the requirements of the Basel Convention. These materials are temporarily stored at on-site hazardous waste storage facilities and subsequently handed over to certified third-party agencies for proper treatment and disposal. For non-hazardous waste, such as wood, rubber, steel, aluminum, and copper, strict classified collection and resource recovery protocols are followed. Chery Auto has also implemented a digital tracking and supervision system, enabling full-process, digitised management of waste flows. In addition, household waste generated across facilities is subject to rigorous classified collection. Recyclables are sent to specialised agencies for resource recovery, while non-recyclables are transported to local government-designated treatment sites. This systematic approach ensures that all categories of waste are managed in a safe, standardised, and environmentally responsible manner.

Building on strict control of hazardous substances and waste, Chery Auto continues to advance waste reduction and resource recovery initiatives. In 2024, the Company successfully achieved a 45% weight reduction in industrial

CASE

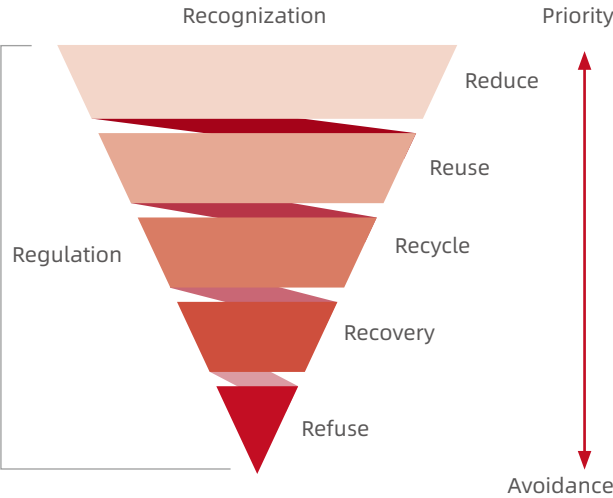
Reduction of Hazardous Waste

In 2024, our production base in Kaifeng launched a waste solvent recycling system project. Through innovative process optimisation, the project is expected to reduce hazardous waste discharge by 70%. The project is scheduled to be fully operational by 2026.

In 2024, our Wuhu production base introduced a low-temperature sludge drying system at its wastewater treatment station Phase II. With a total investment of RMB 860,000, the system achieved a 90% reduction in hazardous waste, significantly improving both disposal efficiency and environmental performance.

sludge through the innovative application of low-temperature drying technology. At the same time, Chery Auto systematically promoted zero-landfill management system certification, and actively participated in the Ministry of Industry and Information Technology’s “Zero-Waste Enterprise” initiative and Anhui Province’s “Zero-Waste Factory” programme. These efforts comprehensively drive the clean and green transformation of the Company’s production processes.

We have established a zero-landfill waste management system based on the “7R” principles of waste management, combined with the PDCA cycle method, the latest regulations, and international best practices (EU standards). Through full lifecycle risk control, we aim to reduce waste generation and promote resource recycling, thereby lowering management expenses and operating costs.

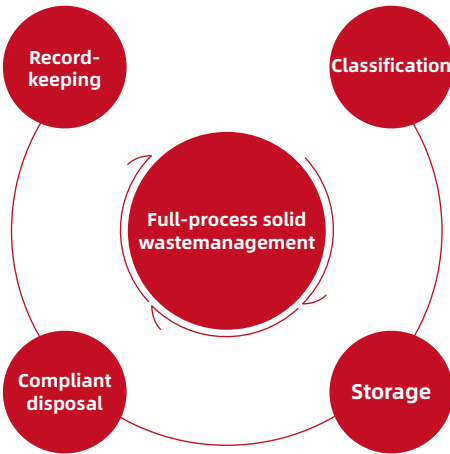


“7R” principles of waste management

Full-process solid waste management

A detailed solid waste ledger is maintained to record the type of waste, volume generated, transportation method, and disposal method.

All solid waste is handed over to certified third-party organisations for proper treatment and disposal.



Solid waste is identified and classified in accordance with the National Catalogue of Hazardous Waste and Standards for the Identification of Solid Waste.

Storage facilities are constructed in compliance with the Pollution Control Standards for General Industrial Solid Waste Storage and Disposal Sites and the Pollution Control Standards for Hazardous Waste Storage, effectively preventing secondary pollution.

Solid waste management goals



In 2025, the amount of hazardous waste generated per vehicle is expected to decrease by 2% compared to 2024.



100% of generated solid waste (including hazardous waste) is entrusted to qualified organisations for utilisation or disposal.



Established a “Zero Waste Factory” and obtained certification for the zero landfill waste management system.

The Company regularly conducts specialised waste management training for all employees, covering theoretical instruction, scenario simulations, and on-site interactions, to enhance both environmental awareness and management capabilities.

CASE

Chery Auto Carries out Special Training on the Fine Management of Solid Waste

In April 2024, to comprehensively enhance the Company’s solid waste management capabilities, Chery Auto’s Manufacturing Division collaborated with the Safety and Environmental Department to conduct a specialised training programme on “Solid Waste Environmental Management.” centred on the core objectives of “standardised management and strengthened responsibility,” this training effectively elevated the awareness and execution capabilities of solid waste management across all organisational levels through systematic course design and professional content delivery. The training not only reinforced the Company’s environmental management foundation but also established a standardised management system covering the entire industrial chain, providing strong support for the ongoing green manufacturing transformation. The programme deeply analysed new challenges and trends faced by the industry,

innovatively employing a “theoretical instruction + scenario simulation + on-site Q&A” teaching model. It systematically reviewed typical industry cases, common issues, and regulatory requirements. With high participant engagement and lively interactions, all preset goals were exceeded. As a benchmark practice in Chery Auto’s commitment to green manufacturing strategy, this training successfully created a “learn-apply-optimize” management loop. It significantly enhanced frontline teams’ professional competencies while translating environmental concepts into actionable management measures. Amid the critical period of automotive industry transformation and upgrading, Chery Auto is continuously advancing refined solid waste management operations to progressively upgrade its green supply chain system, providing a solid foundation to achieve carbon neutrality targets and promote high-quality corporate development.

Air Pollution Control

In strict compliance with local laws and regulations such as the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, Chery Auto has established management systems including the *Atmospheric Pollution Prevention and Control Procedure* to rigorously manage exhaust gas emissions. Adopting a full lifecycle environmental management approach, we promote cleaner production processes, materials, and technologies. We have built a comprehensive three-dimensional exhaust gas treatment system covering source substitution, process control, and end-of-pipe treatment to systematically control emissions of nitrogen oxides (NOx), Sulphur dioxide (SO₂), volatile organic compounds (VOCs), particulate matter (PM), and other pollutants. With this system in place, our China vehicle production bases have achieved VOC emissions levels well below the limits set by China's *Comprehensive Emission Standard for Air Pollutants*, setting an industry benchmark for green manufacturing practices.

By the end of 2024, thanks to refined exhaust emission management measures, two of Chery Auto's factories received an A-level performance rating, and three received a B-level rating for heavy pollution weather response performance. In addition, we are gradually replacing part of fuel-powered vehicles, such as employee shuttle buses, plant tractors, and forklifts, with new energy vehicles to further reduce exhaust emissions from commuting and logistics operations.

Alternative Materials

Adopt B1B2 compact painting process without intermediate coating, low-VOCs water-based paint, and eco-friendly wax to reduce the generation of VOCs and other pollutants at the source; emissions are reduced by 25% to 35% compared to traditional processes.

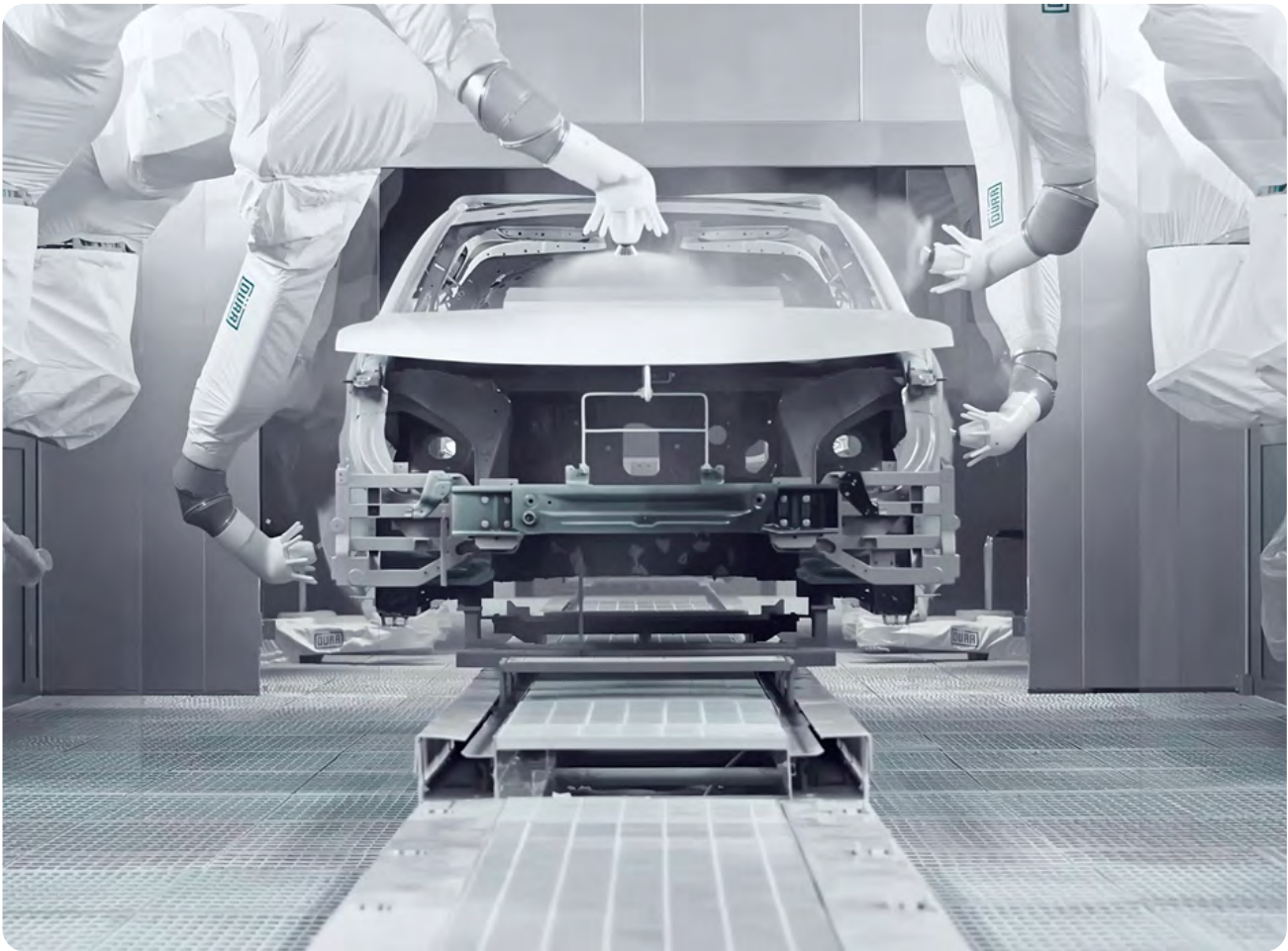
Process control

Use electrostatic high-efficiency spraying technology with interior and exterior surface robots, mini color rollerball system, and circulation air technologies to significantly improve spraying efficiency and reduce VOCs emissions.

Paint mixing, spraying, leveling, drying, and cleaning processes are carried out in enclosed negative-pressure environments; raw materials such as paint, adhesive, cavity wax, and process wastes (paint sludge, waste organic solvents, etc.) are stored in sealed containers to prevent fugitive VOCs emissions.

End 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.



Wastewater Management

Chery Auto has established a sound and comprehensive water pollution prevention and wastewater control management system. For various types of industrial wastewater generated during production, such as oily wastewater, heavy metal-containing wastewater, and organic wastewater, the Company strictly complies with the *Water Pollution Prevention and Control Law of the People's Republic of China*, as well as relevant local and internationally recognised standards. Chery Auto has formulated a series of management systems, including the *Water Pollution Prevention and Control Management Measures* and the *Water Pollution Prevention and Control Procedures*, to ensure that all treated wastewater meets the national *Integrated Wastewater Discharge Standard*, the *Standard for Wastewater Discharged into Urban Sewers*, and the discharge requirements of the local operations area.

By establishing an intelligent automatic monitoring system for pollution sources, we have achieved real-time dynamic monitoring of pollutant indicators at discharge outlets. At the same time, we regularly entrust third-party professional agencies to conduct water quality testing, providing dual assurance to ensure compliance with discharge standards. In addition, the Company actively promotes the application of reclaimed water, utilising advanced purification processes to recycle industrial wastewater, thereby continuously reducing both fresh water consumption and the total volume of wastewater discharge.

Noise Control

We have formulated the *Noise Pollution Control Procedures* to guide the technical optimisation and upgrades of equipment in key production areas such as general assembly, stamping, and painting workshops, as well as facilities including air compressor stations and cooling towers. Measures such as sound insulation, noise reduction, sound absorption, and vibration damping are implemented to minimise noise levels. In addition, we engage professional third-party agencies to conduct regular boundary noise monitoring to ensure compliance with the *Emission Standard for Industrial Enterprises Noise at Boundary*, thereby protecting the well-being of nearby communities and surrounding ecosystems.

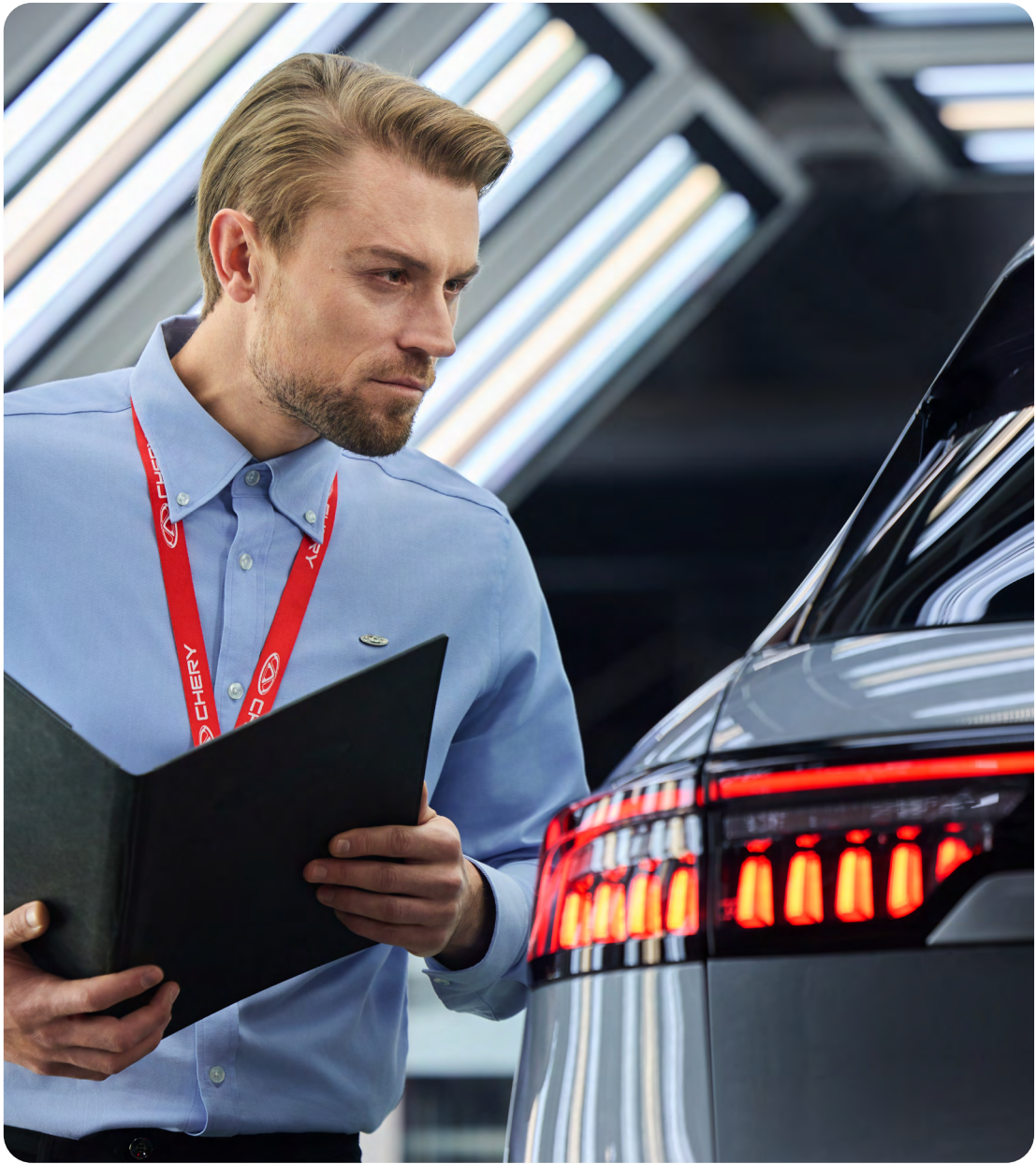
Restricted Substances Management

We have established and implemented a restricted substances management system that spans the entire product lifecycle, strictly adhering to China's *Requirements for Prohibited Substances in Automobiles*, the EU REACH Regulation, the *Stockholm Convention on Persistent Organic Pollutants (POPs)*, and other relevant laws, regulations, industry standards, and international initiatives related to restricted substances control. We have formulated the *Measures for the Administration of Automobile Hazardous Substances and Recycling Rate*, which clearly defines control requirements for restricted substances across all stages—from raw material procurement to manufacturing. Compliance with restricted substance requirements is set as a core entry criterion in our procurement decisions. We specify substance limits for supplier deliverables 100% in technical drawings and agreements, achieving rigid control throughout the supply chain and continuously promoting the reduction and substitution of restricted substances.

A specialised restricted substances testing laboratory is being built concurrently, achieving 100% testing coverage of the 17 high-risk substances listed in the REACH Regulation Annex XVII, providing core technical support for product health and safety.

Participation in National Standards for Restricted Substance Control

As one of the drafting organisations of the national standard GB/T 30512 *Requirements for Prohibited Substances in Automobiles*, Chery Auto has contributed to the development of this standard. The standard aims to restrict the use of limited substances in vehicles and promote the industry's development, identification, and adoption of more environmentally friendly alternatives.



Resource Utilisation

Water Resource Management

Chery Auto has always regarded water resource protection as a crucial responsibility for the Company’s sustainable development. Relying primarily on municipal water supply, we strictly comply with laws and regulations such as the *Water Law of the People’s Republic of China*” and the *Water Pollution Prevention and Control Law*. We have established a scientific and comprehensive water resource management system. Through continuous water use assessments and diagnostics, we consistently identify water-saving potentials and set challenging management targets. At the implementation level, the Company adopts three core measures: first, optimizing production processes to reduce water consumption; second, introducing advanced technologies to improve water use efficiency; and third, strengthening water-saving awareness among all employees. These systematic initiatives have effectively driven continuous improvement in water resource utilisation efficiency, minimizing the potential impact of production operations on the water environment. In 2024, Chery Auto achieved water consumption of 2.27 tonnes per unit, a decrease of approximately 12% compared to 2023, exceeding the original annual water-saving target of 10%.

→ Water consumption reduction

- Implement refined production management, and conduct regular inspections to detect and fix leaks and drips in water-using equipment.
- Promote green office practices by installing water-saving faucets and increasing the proportion of reclaimed water use in office areas.

Carry out daily patrols of water-saving and water-supply equipment and facilities to promptly address any detected faults.

→ Water recycling

- Promote industrial wastewater recycling by introducing specialised technical equipment to treat industrial wastewater to reuse standards, and apply it in processes such as the treated wastewater for circulating cooling systems, saving 353,200 tonnes of water throughout the year.
- Implement air-conditioning condensate reuse projects to recycle air-conditioning condensate, reducing consumption of heating steam and humidifying condensate; in 2024, this project saved 8,000 tonnes of water.
- Install reclaimed water treatment and rainwater collection facilities, using treated water for landscaping irrigation and surface cleaning. In 2024, we recycled 159,994,600 tonnes of water, with an overall factory water recycling rate of 96.37%, demonstrating the Company's leading practices in industrial water saving.

→ Water conservation publicity

To raise awareness among all employees, we conduct water-saving training courses and promote water conservation concepts during World Water Day in March and China Water Week.

Packaging Material Management

To align with global packaging development trends, Chery Auto has established a comprehensive internal packaging management system. This system clearly defines material design principles and labeling compliance requirements, while incorporating management metrics into departmental performance evaluations to continuously enhance quality and efficiency. The Company adopts packaging reduction as the core strategy for green packaging, promoting lightweight packaging through technological innovations such as structural optimisation, material wall-thinning, and grade optimisation. In 2024, key initiatives included the expanded use of EPS materials, reduced wall thickness for body frames, and simplified structural design for instrument panel assemblies. These efforts successfully reduced the use of metal materials while ensuring product protection performance, thereby lowering carbon emissions during transportation.



Circular Ecosystem

Driven by technological innovation, Chery Auto has built a green circular ecosystem covering the entire automotive industry chain. By establishing dedicated institutions and implementing a closed-loop system of “design-production-recycling-regeneration,” the Company has focused on 3 core areas: power battery management, end-of-life vehicle utilisation, and eco-friendly packaging. Chery Auto has successfully achieved efficient recycling of resources such as scrap steel and aluminum, component remanufacturing, and comprehensive battery reuse. In 2024, the Company reported a vehicle recyclability rate of 95% and a reusability rate of 85%.

Eco-design and Green Procurement

In terms of eco-design, Chery Auto prioritises the selection of green, low-carbon, environmentally friendly, and recyclable materials at the early stages of product development. The Company adopts green design solutions characterised by lightweighting, modularisation, standardisation, platformisation, easy disassembly, and recyclability, while also developing and applying technologies that enhance energy efficiency and reduce carbon emissions. Over the past 2 years, 12 of Chery Auto’s vehicle models have received certifications or awards related to green and ecological design. In the area of R&D, the Company was also honored with a Third Prize for Scientific and Technological Progress and a First Prize for Technological Invention. In green procurement, Chery Auto actively implements a green procurement strategy, integrating environmental and social responsibility, as well as carbon emissions reduction management, into the daily supervision of its suppliers. The Company has refined its green supply chain documentation and established a comprehensive management system, earning a place on the national list of “Green Supply Chain Management Enterprises.”

End-of-Life Vehicle (ELV) and Used Parts Recycling System

We strictly comply with both international and domestic environmental regulations, including the EU ELV Directive (2000/53/EC), the RRR calculation method (2005/64/EC), and China’s *Requirements on the Administration of Automobile Hazardous Substances and Recycling Rate*. A comprehensive *Technical Specification for Automotive Recycling and Utilisation* system has been established accordingly. We have signed vehicle scrappage and dismantling cooperation service agreements with our sales and service companies. Additionally, a dedicated used vehicle business module has been developed on our official website, enabling a nationwide network-based system for the standardised recycling of end-of-life vehicles. For vehicles sold that are under 8 years of age and have accumulated less than 150,000 kilometers in mileage, but do not meet the criteria for certified pre-owned vehicle resale, we assess their market value. If deemed unfit for resale, these vehicles are handed over to Wuhu Chery Resource Technology Co., Ltd., a qualified full-vehicle dismantling and recycling Company, for proper disposal.

In 2024, Chery Auto achieved a total recycled material volume

128,319.57tonnes



Power Battery Recycling and Secondary Utilisation

Chery Auto has established a comprehensive lifecycle traceability system for power batteries through the implementation of its Power Battery Traceability Management and Control Procedure, which systematically regulates traceability requirements across R&D, production, sales, and after-sales stages. A full-process data collection and uploading mechanism has been put in place to ensure complete traceability of battery recycling and reuse information, effectively mitigating environmental risks. Disposal methods for end-of-life power batteries are clearly communicated to consumers through the vehicle user manual. Since August 2018, all new energy vehicles sold by Chery Auto have been integrated into the national power battery traceability platform. In parallel, the Company has developed a dedicated battery recycling system and established 618 collection points Chery 4S dealerships across China. Retired batteries are screened based on health status (SOH), internal resistance, and capacity. Batteries that meet the criteria are remanufactured into sine wave power batteries for special-purpose vehicles, supported by a dual electronic-mechanical Battery Management System (BMS). Compared to single-use battery cells of the same capacity, this product series:

- Compared to primary battery cells of the same capacity, this product series achieves a 58% reduction in carbon emission intensity over its full lifecycle, by reducing 85Kg CO₂ equivalent per kilometer.
- Reduce the mining of key metal ores such as cobalt, nickel, and manganese by approximately 70%, lowering the demand for resource extraction.

- The charge-discharge cycle life exceeds national standards, while maintaining a pure sine wave output with total harmonic distortion (THD) below 3%, ensuring compatibility with precision electronic devices.
- The cost per watt-hour (Wh) was reduced by 40% compared to new battery cells, ensuring environmental protection and economic value.

By the end of 2024, all second-life batteries had achieved 100% traceability management and obtained the High-Tech Product Certification issued by the Wuhu Science and Technology Bureau. No safety incidents or recall events were reported. The targets include recycling 3,500 tons of retired batteries in 2025 and mixing 50,000 tonnes of recycled lithium into hybrid battery products in the same year. By 2027, the Company aims to establish a recycling capacity of 500 MWh or 100,000 units annually.

Waste Oil Regeneration

Chery Auto, in collaboration with Anhui Jiarui Environmental Protection Technology Co., Ltd., has established a full-cycle green recycling system for waste mineral oil encompassing “collection-regeneration-application.” Pioneering the use of CPT total evaporator molecular distillation technology, the project achieves a 95% comprehensive utilisation rate of waste mineral oil and a 76% base oil recovery rate. This regenerated oil project has been certified by ISCC PLUS (International Sustainability and Carbon Certification) and IATF 16949:2016. The regenerated lubricants deliver performance comparable to virgin oil, significantly reducing friction losses by 30% and carbon emissions by 70%. Leveraging a digital traceability platform with a “one code for one item” management system, the entire process, from raw materials to finished products, is fully visible and trackable. This creates a closed loop characterised by transparent recycling operations, quantifiable carbon footprint, and reliable quality traceability. Continuous process optimisation is driven by Life Cycle Assessment (LCA) analysis. This innovative model is extending throughout the entire industry chain, promoting ESG governance improvements among upstream and downstream partners and setting a new benchmark toward the goal of “zero waste” mineral oil resource utilisation.



Circular Packaging

We continue to deepen our circular packaging strategy by expanding the global use of 8 types of reusable packaging, including dedicated containers, standard crates, and iron pallets. In 2024, we utilised 84,000 sets of reusable packaging for loose parts exports, saving costs of RMB 18 million. We also established a closed-loop EPS material system involving overseas collection, pelletizing, and return for regeneration. Through a recycling alliance with 12 key suppliers, we converted over 500 tonnes of waste plastic pellets throughout the year, reducing environmental impact while creating value from recycled materials.

CASE

Chery Auto Participates Pilot for Extended Producer Responsibility (EPR) in Automotive Industry

On December 17, 2024, the Ministry of Industry and Information Technology of China held a pilot work meeting on Extended Producer Responsibility (EPR) for automotive products in Beijing. As the lead applicant, Chery Auto presented its achievements in comprehensive resource utilisation, green supply chain management, promotion of recycled materials, and information disclosure, as well as progress toward pilot targets. During the EPR project, Chery Auto collaborated with two recycling and dismantling companies to conduct practical dismantling assessments of 4 Chery models, all of which surpassed the EPR target of over 85% resource utilisation rate. Throughout the pilot, by adopting recyclable and easily recyclable materials, and applying ecological design principles such as modularisation, lightweighting, standardisation, and platformisation, the Company increased the recyclable utilisation rate of new models to over 96.5%. Chery Auto also advanced a closed-loop recycling project for automotive plastics, achieving scaled application of recycled plastic components on the EXEED EXLANTIX ES and EXEED RX models.

The front windshield lower trim panel of the EXEED EXLANTIX ES uses 100% PCR content by PP-T20 material



The left and right front wheel arch guard assemblies of the EXEED RX utilise materials composed of 30% PCR by content PP combined with EPDM

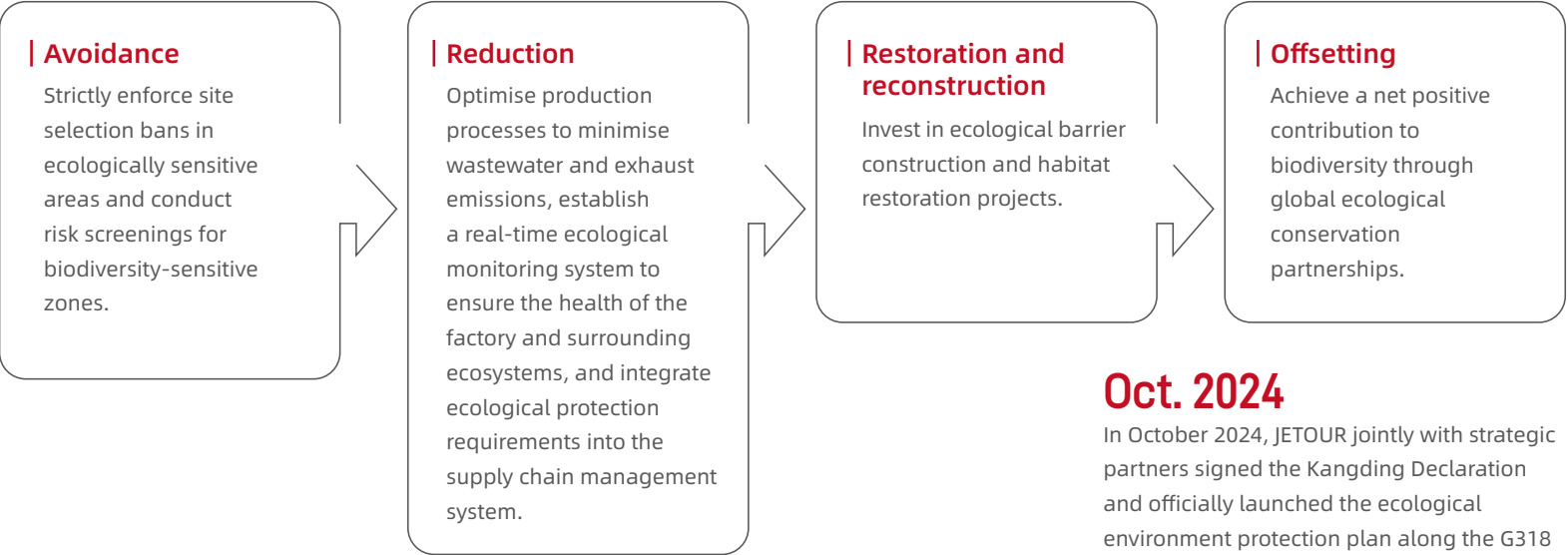


Biodiversity Conservation

Chery Auto deeply recognises the importance of biodiversity for sustainable development and actively implements the *United Nations Convention on Biological Diversity* as well as the Kunming-Montreal Global Biodiversity Framework. Under the unified leadership of the Strategy and Sustainability Committee, Chery Auto has established clear biodiversity policies and commitments, integrating ecological protection throughout its strategic planning, operational management, and value chain governance. The Company is dedicated to avoiding, minimizing, and restoring the negative impacts of its business activities on biodiversity while actively creating positive ecological outcomes.

Management Strategy

We adopted a four-tier action model of “avoidance - reduction - restoration - improvement” to mitigate environmental impacts, implementing the following measures:



Cases

Feb. 2024

In February 2024, Chery Auto jointly launched the Mediterranean Posidonia seagrass ecological protection initiative with the International Union for Conservation of Nature (IUCN) in Spain.

Apr. 2024

In April 2024, Chery Auto officially launched the GREEN OJ-Global Green Co-creation Public Welfare Platform, aiming to promote international environmental protection cooperation and public environmental protection actions.

May 2024

In May 2024, Chery Auto established a special public welfare fund in Turkey, focusing on strengthening resource investment in the field of environmental protection.

Jul. 2024

In July 2024, Chery Auto jointly launched the ecological restoration tree-planting plan for red panda habitats with the Nepalese public welfare organisation RPN (Retour Au Pays Natal).

Aug. 2024

In August 2024, Chery Auto jointly launched a public welfare action for marine ecological environment protection with users.

Sep. 2024

In September 2024, JETOUR carried out strategic cooperation with the Cheetah Conservation Fund (CCF) to jointly promote the cheetah species protection plan.

Oct. 2024

In October 2024, Chery Auto officially established a global ecological protection partnership with the International Union for Conservation of Nature (IUCN).

Oct. 2024

In October 2024, JETOUR jointly with strategic partners signed the Kangding Declaration and officially launched the ecological environment protection plan along the G318 National Highway.

In 2024, Chery Auto collaborated extensively with internationally authoritative organisations and the public to deeply fulfill its biodiversity protection commitments.

CASE

Chery Auto Launched Global Nature Conservation Partnership with IUCN

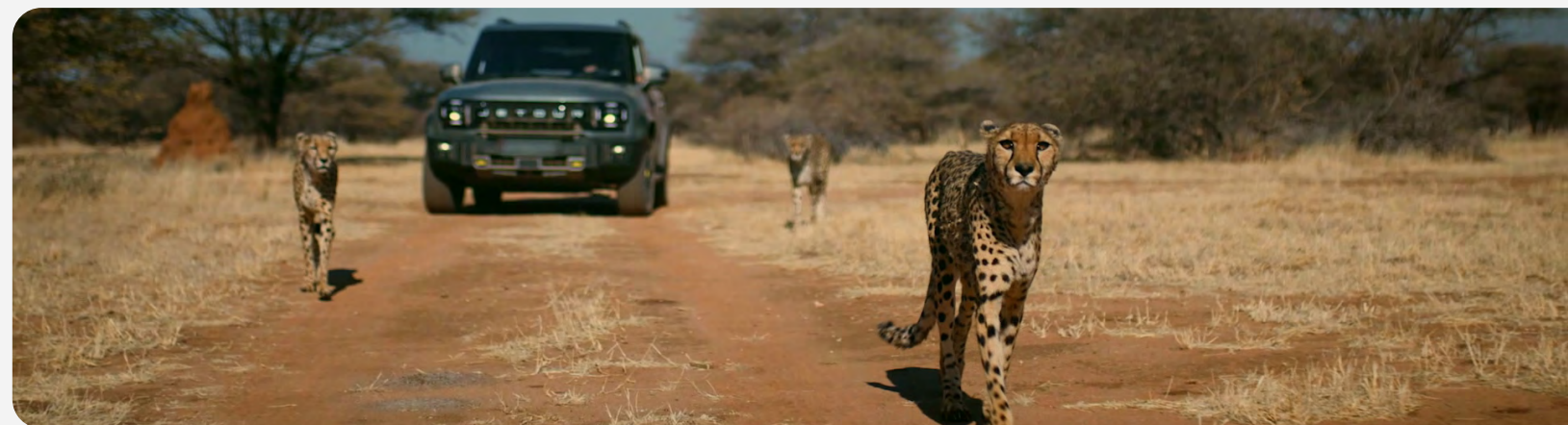
In October 2024, Chery Auto established a strategic partnership with the International Union for Conservation of Nature (IUCN), and formed a global ecological protection alliance. Chery Auto and its partner jointly promote the concept of green living to the public through an environmental cycling campaign. Meanwhile, Chery Auto will invest USD 3.5 million to launch the “Cherish the Nature” global cooperation project with IUCN. Both parties are committed to advancing global biodiversity and ecosystem conservation and restoration, contributing to the goal of harmonious coexistence between humans and nature.



CASE

JETOUR Partnered with Cheetah Conservation Fund to Protect Cheetahs

In September 2024, JETOUR established a global strategic partnership with the internationally renowned wildlife conservation organisation, the Cheetah Conservation Fund (CCF). Through adoption programmes, financial support, and joint initiatives, JETOUR actively participates in the protection of cheetah populations. Together with Discovery Channel, the two parties conducted an in-depth exploration of Namibian reserves and produced the public welfare documentary “Return of the Cheetah”, vividly portraying the current status of cheetahs in the wild and raising global awareness. At the concurrent Global Travel+ Conference, JETOUR launched the Discovery Ecology-themed exhibition area and the co-branded product series “Cheetah Shadows × Nature Code”. These interactive experiences aim to enhance public environmental awareness. Beginning in South Africa, the public welfare roadshow embraces the philosophy of “In somewhere, For somewhere”, achieving synergistic development between commercial value and ecological protection. On December 27, the “Protecting the Cheetah” global public welfare promotion project was recognised as one of the “Excellent Cases of Overseas Communication for Chinese Brands in 2024” by People’s Daily Overseas Online.



CASE

Marine Ecological Protection Campaign

In August 2024, Chery Auto held a marine ecological protection public welfare event in Qingdao, bringing together marine experts, vehicle owners, and environmental volunteers. The event featured educational sessions on marine conservation and hands-on activities focused on beach cleanups and plastic reduction. Through experiential learning, it aimed to raise public awareness of environmental protection and promote concrete actions to preserve the balance of marine ecosystems and biodiversity.

We collaborate closely with users to carry out diverse environmental public welfare activities such as beach cleanups, plastic reduction campaigns, and green travel initiatives. Through engaging and varied interactions, we actively promote the practical implementation of sustainable development concepts, jointly advancing ecological health and biodiversity conservation.

CASE

JETOUR Launches the Kangding Declaration and the G318 Journey

In October 2024, JETOUR Auto joined forces with the Culture and Tourism Bureaus of Ganzi Prefecture and Kangding City, along with other partners, to jointly sign the “Kangding Declaration”, officially launching the “Pure Mountains and Seas: JETOUR on the Road” green mobility initiative. As an advocate for eco-friendly travel, JETOUR promoted ecological conservation and cultural respect along travel routes through themed mural art exhibitions and the “G318 Clean Journey” public welfare campaign. A public rest stop donated to Rizhe Village has become a demonstration site for sustainable tourism services, translating the declaration’s vision into tangible actions.



Humanistic Care

Chery Auto is deeply committed to a people-first philosophy, striving to create a healthy, safe, diverse, and inclusive work environment. We've built comprehensive career development and training programmes to grow together with our employees. At the same time, we actively embrace our global corporate social responsibilities—investing in child welfare, supporting vulnerable communities, and promoting community development. Through these efforts, we aim to create shared social value and drive lasting impact through public welfare initiatives.

Key performance

- No incidents of child labour, forced labour, or discrimination
- The average training hours per employee amounted to 59.17; RMB 20.98 million invested in employee training
- Achieved 100% complete coverage of OHS training for all employees, the total training attendance reaching 2,411,351 person-times
- No incidents of occupational disease; obtained ISO 45001 certification for 6 consecutive years
- 100% of employees are union members; 100% employees have signed collective agreements
- 18.91% of management positions held by women, an increase of 3.59% year-on-year
- Partnered with UNICEF to advance global education cooperation, benefiting nearly 40 million children and adolescents
- Fulfilled corporate social responsibilities, with RMB 35.1564 million invested in public welfare and charitable initiatives
- Supported the national strategy of promoting new energy in rural areas, with over RMB 2.7955 million dedicated to rural revitalisation initiatives

Key Topics

- Employees rights and interests
- Diversity and equality
- Occupational health and safety
- Employee development and training
- Social contribution and public welfare



Happy Chery

We have always viewed employee growth and corporate progress as an organic whole. By safeguarding employee rights, offering fair promotion pathways, enhancing compensation and benefits, and ensuring a safe working environment, we implement a comprehensive employee care programme, working together to build a “Happy Chery” for all.

Employees Rights and Interests

Chery Auto firmly upholds a people-oriented development philosophy and strictly complies with the *Labour Law of the People's Republic of China* and *Labour Contract Law of the People's Republic of China*, as well as all applicable labour laws and regulations in our operating regions. We adhere to the *Universal Declaration of Human Rights*, the *United Nations Guiding Principles on Business and Human Rights* (UNGPs), the *International Labour Organisation (ILO) Conventions*, and the Ten Principles of the United Nations Global Compact. Through the establishment of the *Human Rights Policy Statement of Chery Auto*, we are committed to protecting the fundamental rights of all employees, suppliers, and other business partners. We resolutely oppose all forms of child labour, human trafficking, forced labour, and discrimination. Chery Auto ensures employees’ lawful rights in areas including compensation and performance, working hours and leave, employee benefits, freedom of association and expression, anti-discrimination, and equal opportunity.

Compliant Employment

Chery Auto fully implements China’s labour regulatory framework, including the *Labour Law of the People's Republic of China*, *Labour Contract Law of the People's Republic of China*, *Regulation on the Implementation of the Labour Contract Law of the People's Republic of China*, *Interim Provisions on labour Dispatch*, and related supporting regulations, and strictly adheres to the terms of labour contracts. We have established comprehensive policies to safeguard employee rights and human rights, including the *Human Resources Management Manual*, which clearly regulates Company conduct across the employment lifecycle from hiring and onboarding to management and termination. These policies also outline procedures for identifying labour compliance risks and addressing adverse incidents, such as ensuring proper recruitment practices, setting minimum consultation/notification periods before large-scale layoffs, and maintaining transparency and legal compliance. Chery Auto provides training and communication for managers and employees on these policies and systems. Additionally, through a triennial collective negotiation mechanism, we continuously optimise labour relations and foster a harmonious and stable employment environment.

In the *Human Rights Policy Statement of Chery Auto*, we explicitly prohibit the use of child labour and all forms of forced labour. To strictly prevent employment-related risks while protecting personal data privacy, we have implemented a robust system that includes interview screenings, onboarding verifications, and regular identity checks. In 2024, the Company maintained a fully compliant record with zero instances of child labour or forced labour. A standardised procedure is in place to address such potential violations.

Chery Auto upholds a philosophy of equal opportunity and inclusiveness in employment, strictly prohibiting all forms of workplace discrimination, harassment, and breaches of professional ethics, including differential treatment based on nationality, gender, age, or other characteristics. We are committed to fostering a fair development environment for women, persons with disabilities, foreign employees, and ethnic minority groups, while cultivating a diverse and inclusive corporate culture. In 2024, the Company further enhanced its *Code of Rewards and Penalties*, strengthened behavior supervision, and recorded zero incidents of discrimination throughout the year.

We promote international standards while respecting regional differences, ensuring that principles of fairness, inclusiveness, and diversity are embedded both in our systems and in daily operations. Through job rotation mechanisms, we foster cross-cultural understanding and integration. In 2024, Chery Auto organised cross-cultural exchange programmes and annual training initiatives to help employees appreciate different cultures while experiencing care in the local area. A total of 63 middle- and senior-level managers participated in international job rotations during the year.

We strictly comply with local labour laws and scientifically manage working hours through internal policies such as the *Attendance Management Guidelines* and the *Implementation Guidelines on Paid Annual Leave*. These systems ensure that employees are legally entitled to various statutory leaves. In addition, Chery Auto has introduced innovative benefits such as exam leave to comprehensively meet employees’ diverse needs.

In 2024, Chery Auto recruited a total of 30,463 new employees across manufacturing, R&D, and international business segments, and 20% of newly added non-production positions were filled through internal promotions.

Total number of employees by the end of the reporting period

55,707

Number of new hires during the reporting period

30,463

Number of fresh graduates recruited during the reporting period

3,390

Number of assisted individuals with disabilities in employment by the end of the reporting period

853

Note: Employee information (excluding overseas operations)

Due Diligence on Human Rights

Chery Auto consistently respects and protects labour rights throughout its value chain. The Company prioritises vulnerable groups such as women, expatriate employees, and frontline workers by implementing targeted measures to safeguard their rights. At the same time, Chery Auto is committed to working with employees, suppliers, and other business partners to foster a fair, open, harmonious, and inclusive working environment.

We integrate respect for human rights into our corporate policies and management systems, ensuring these policies are communicated and adhered to by both employees and suppliers. To proactively identify and assess potential human rights impacts and risks, we have established a comprehensive human rights due diligence mechanism across the entire value chain, covering our own operations, business processes, supply chain, and new business relationships (including mergers, acquisitions, and joint ventures). This mechanism places particular emphasis on issues such as child labour and forced labour. Suppliers found to be involved in such violations are subject to time-bound corrective actions or removal from the supply chain.

The Company’s human rights due diligence process follows a four-step closed loop: identification, assessment, mitigation, and disclosure. First, based on the UN Guiding Principles on Business and Human Rights, we screen all global operational bases and key tier-one suppliers to identify and assess the actual or potential negative human rights impacts arising from our business activities, and we create risk heat maps to pinpoint high-risk entities. Second, we engage independent third-party consultants to conduct in-depth onsite investigations, evaluate working conditions, work hours, freedom of association, and wage payments, and within strict deadlines, develop corrective action plans for each significant gap, designate responsible personnel, and set completion timeframes. Third, we track the progress of corrective actions through the “RuiDun” system to ensure full implementation of all

pledged measures. We also offer a multilingual, multi-channel anonymous reporting system for employees, suppliers, and contractors; once a complaint is confirmed, it enters a remediation process with results provided within a set timeframe. Fourth, we supplement existing measures as needed to address any gaps and drive continuous improvement. In 2024, we established a special review and rapid compensation process targeting key issues such as the protection of temporary workers’ rights and the lack of social insurance contributions.

Compensation and Performance

We have established a scientifically structured and well-regulated compensation system through the implementation of the *Compensation Management Policy*, ensuring that the design of our compensation framework is compliant with relevant laws and effective in attracting and retaining top talent. Meanwhile, we have built a performance management system that values both results and corporate values. Performance evaluations cover all full-time employees and provide a comprehensive and objective assessment of both business outcomes and behavior aligned with Company values. Our inclusive and diversified incentive approach aims to foster organisational vitality. Performance evaluations are conducted through a multi-tiered and categorised system based on annual behavioral guidelines and utilise a combination of team and individual performance assessments, goal management, 360-degree multi-source feedback, and quarterly agile reviews. Evaluations are carried out on a quarterly basis, and results are directly linked to employees’ annual bonuses, promotion opportunities, and training plans, thus ensuring alignment between motivation and development. In 2024, we revised the *Employee Performance Management Operating Guidelines* to define 2 types of evaluation mechanisms. One of them is an ad-hoc evaluation mechanism designed to help employees gain timely insights into their performance and better align with the Company’s strategic goals.

Equity Incentives

We uphold a people-oriented corporate culture that places strong emphasis on personal value and strives for the shared growth of employees and the Company. Chery Auto has established a market-based incentive system and continues to expand the scope of its equity incentive plans to provide robust support and care for employees, significantly boosting innovation motivation while attracting and retaining top talent in the industry. In 2024, the Company launched a performance- and tenure-based employee equity incentive plan to encourage the creation of long-term value. The plan covers approximately 3,000 employees, with restricted shares to be vested in phases based on performance and service criteria. Looking ahead, Chery Auto plans to incorporate sustainability indicators into its long-term incentive evaluation system to further enhance the comprehensiveness of its incentive mechanisms.

CASE

Employee Recognition and Awards

To recognise employees’ long-term contributions and express the Company’s gratitude, Chery Auto held a special Employee Service Awards Ceremony in July 2024. The event honored outstanding employees who have served for 10, 15, 20, and 25 years, presenting them with exclusive commemorative trophies and selected gifts.



Dispute Resolution and Employee Communication

Chery Auto places great importance on employee feedback and actively addresses employee concerns through democratic consultation mechanisms such as the Employee Representative Congress. We have established diversified communication channels, including internal forums, the Intelligent Union platform, and offline discussion sessions, providing employees with 24/7 real-time feedback access. This comprehensive approach enables us to collect and implement employees’ reasonable suggestions on business management and career development. In 2024, the Company received 825 valid employee requests, with the Union, Human Resources Department, and related units jointly conducting targeted resolution actions. A total of 27 labour disputes were resolved, all mediated through a tripartite mechanism involving employees, the union, and human resources.

The Company engaged an independent third-party professional agency to conduct an employee engagement survey, covering 100% of its all employees. The survey placed special emphasis on employee satisfaction, focusing on key topics such as workplace experience, career development pathways, job fulfillment, and stress management. In-depth analysis was conducted across 4 dimensions: compensation and rewards, leadership effectiveness, talent development, and corporate culture and vision.

Based on benchmark standards provided by an independent third-party agency for the automotive industry, results were categorised into 3 levels. The 2024 survey revealed that employee evaluations on core topics fell within the industry’s mid-range, demonstrating steady performance with room for further improvement. In response to these

findings, management reviewed and discussed the survey outcomes during a special meeting in Q4 2024, directing the Human Resources department and relevant units to develop specific action plans for improvement.

The key planned actions include:



Enhancing management training

Strengthening leadership effectiveness by improving managers’ skills in communication, motivation, and team building.



Reinforcing sustainable talent development mechanisms

Launching targeted training and development programmes to better meet employees’ career growth needs.



Enhancing employee engagement in sustainable development

Deepening employees’ understanding and recognition of the Company’s sustainability strategy through internal ESG-themed training sessions and participation programmes.

Talent Development

Chery Auto remains committed to a talent-first strategy, providing equal career development opportunities for employees and job seekers around the world. By continuously improving its talent development system and career planning framework, Chery Auto is building a high-caliber, sustainable talent pipeline and offering well-rounded support to help employees grow and thrive.

Career Development

Chery Auto has established a systematic talent development system through standardised external recruitment, campus hiring, and internal selection mechanisms. By deepening university-industry collaborations and joining the China Automotive Talent Research Association, we continuously strengthen talent reserves and promote industry-academia-research integration. We have built a business-strategy-driven, data-supported talent planning system focused on core strategic directions such as technical capabilities and overseas market expansion. This system develops and continually optimises strategic human resource plans, forecasts future key position competency requirements, and builds a diversified high-potential talent pool. Chery Auto provides all employees with clear career development paths and has formulated a comprehensive set of talent development policies, including the *Employee Promotion Management Regulations*, and the *Talent Mobility and Transfer Management Regulations*. These policies support 3 career advancement tracks: administrative management, professional technical roles, and skilled technical workers. We have created a “Double Y + 1” talent development mechanism to ensure fair and transparent talent selection and appointment, helping employees achieve their individual career goals and long-term growth. The “Double

Y” represents vertical career paths, aimed at cultivating a team of expert craftsmen, providing professional technical staff and skilled workers with vertical development channels. For employees with both technical expertise and management potential, administrative management roles serve as reserve positions. The “+1” refers to internal recruitment and job rotation mechanisms, offering employees cross-disciplinary development opportunities through internal selection and rotation programmes.



Chery Auto implements a three-tier talent development system featuring “Strategic Leaders – Professional Experts – Young Backbones.” Through systematic talent assessment, internal competitions, and job rotation mechanisms, we fully stimulate employee potential and achieve precise job-person fit. To support our global strategic layout, we have established an international talent governance system and continuously improved our global human resource management framework. In 2024, we focused on advancing institutional innovations such as the Global Expatriate Management Regulations, creating a comprehensive management mechanism covering the full cycle of expatriate selection, overseas deployment, and repatriation placement. Simultaneously, we launched an international leadership talent development programme and built a specialised global management team to comprehensively enhance our cross-border operational capabilities.

Employee Training

Chery Auto regards talent as the most valuable asset for corporate development and strives to fully unleash employees’ potential and innovation through scientifically designed mechanisms. We have systematically integrated high-quality training resources to build a comprehensive development platform covering 3 major dimensions: management, professional skills, and technical expertise. In 2024, we optimised the *Training Control Procedures* and newly launched the “4+4+9+N” talent development system, which includes 4 levels of leadership development programmes, 4 strategic talent projects, 9 specialised technical academies, and numerous customised training courses, providing comprehensive career support for all employees.

Female tech talent constitutes an important part of Chery Auto’s technological workforce. The Company places special emphasis on the cultivation and career development of female employees, continuously improving the female management training system. We encourage women to actively participate in high-tech projects, scientific research, and various innovation activities, fully leveraging their unique strengths in technology R&D, project management, and team collaboration.

Management Ability Training

In 2024, Chery Auto launched a series of systematic development programmes tailored to different levels of management, establishing a diversified leadership development platform. For senior executives, the Company regularly organised advanced seminars and leadership forums. For mid-level managers, it implemented the C-KPDP (Chery-Key Position Development Programme), while for frontline managers, it ran the C-FLDP (Chery-Frontline Leader Development Programme). High-potential employees participated in a dedicated Youth Training Programme. These trainings covered areas like strategic thinking, cultural identity, and management capability enhancement, incorporating real-world case studies to strengthen decision-making skills in a dynamic market environment, ensuring a robust talent pipeline for Chery Auto’s sustainable growth.

To keep pace with new trends in industry, market, and technology, we regularly host Management Lecture Series focused on 3 key goals: building strategic consensus, enhancing leadership, and fostering organisational collaboration and innovation. We invite experts and scholars from authoritative organisations such as industry associations and renowned universities to serve as instructors. In 2024, a total of 11 specialised training sessions were completed, covering cutting-edge topics including ESG, leadership, international strategy, and macroeconomic policies. This platform not only facilitates knowledge transfer but also drives management mindset transformation, effectively advancing corporate strategy execution and cultural renewal. In 2024, the training programme recorded over 2,000 participant attendances.

To strengthen talent pipelines and build a youthful, professional, and career-oriented reserve workforce, Chery Auto has launched the Youth Talent Training Programme (Youth Training Class), aimed at cultivating the Company’s future leaders. In 2024, the programme selected 245 high-potential employees and adopted a blended learning approach combining study groups with practical training. Core courses such as “To Be A Good Communicator” and “Problem-Solving Skills” focused on developing participants’ competencies in key scenarios like teamwork and goal management. Alongside hands-on business management exercises, the programme comprehensively enhanced leadership capabilities. The successful implementation of this initiative not only improved the talent pipeline but also helped the Company earn multiple prestigious awards in 2024, including the MostIn Global Enterprise Talent Management Award.



Professional Ability Training

Chery Auto has established a comprehensive employee capability development system by integrating internal and external expert resources to deliver training on job competencies and professional qualities. Leveraging 9 specialised academies, the Company has created course and learning maps driven by job qualification requirements across all core functional areas. These programmes cover all levels of personnel, from junior to senior, and range from general to advanced expertise tailored to different job roles. Additionally, the Company encourages employees to obtain industry-recognised professional certifications, such as CSCP (Certified Supply Chain Professional), CPA (Certified Public Accountant), HR Manager, PMP (Project Management Professional), Legal Practitioner Qualification, and Corporate Compliance Officer.

Chery Auto is committed to deepening school-enterprise collaboration by establishing an integrated talent cultivation model of industry, academia, and research known as the “Chery Model.” In 2024, Chery was approved as a national-level skilled talent training base, becoming the first company-named training benchmark in the province. It co-founded the “Chery Institute” with Anhui University of Technology, focusing on lightweight and intelligent technology R&D. Through a “project-based enterprise entry and mentor-apprentice” model, the institute cultivates outstanding engineers. Chery also partnered with Anhui University of Arts to establish the “Digital Creative Design Industry College,” integrating corporate standards into teaching and achieving a triad integration of courses, job

roles, competitions, and certifications. Additionally, the “Chery Auto On-Site Engineer Programme,” jointly proposed with Wuhu Institute of Technology, was successfully selected for a special project by the Ministry of Education. This programme implements the Chinese characteristic apprenticeship system of “enrolling in school means getting hired; studying means working with the company,” cultivating highly skilled and versatile professionals who embody the spirit of craftsmanship and proficient in operations, skilled in processes, capable of management, and effective in collaboration.

To support the Company’s globalisation efforts, Chery Auto has developed a diversified international talent training system. This programme invites both internal industry experts and renowned external instructors to deliver comprehensive cross-cultural communication training, continuously enhancing employees’ global competencies and cross-cultural management abilities. This initiative drives sustainable growth and strengthens core competitiveness in complex international markets. To build a high-caliber talent pool with global competitiveness, the Company has launched the Global Talent Development programme (International Talent Reserve). A total of 122 outstanding candidates have been selected into the talent reserve pool, with a focus on enhancing international professional competencies and global perspectives. As a key channel for cultivating international talent, the programme accelerates internal mobility and high-quality placement for core international roles, while also providing broader global development opportunities for more employees.

Skill Training

Chery Auto places great emphasis on the training and career development of skilled workers through a comprehensive approach that includes online training, integrated practical exercises, and focused instruction. The programme combines theoretical learning with hands-on assessments to facilitate step-by-step promotions. Employees who demonstrate outstanding skills are recommended to advanced Master Skills Classes for further development and are prioritised as key talent in workshop skill cultivation. Aligned with Company, provincial, and national vocational skills competition schedules, master-level employees are selected to form teams and participate in competitions. This initiative not only enhances employees’ professional abilities but also improves their career development pathways, supporting the Company’s rapid growth.

The Company places great emphasis on leveraging the leadership role of skilled experts. It has established national-level master studios led by Wang Xueyong and Wang Jianguo, as well as provincial-level master studios led by Qi Jinhua and Wang Cunfeng. These studios serve as incubators for cultivating highly skilled talent, attracting outstanding frontline employees to participate in technical innovation, knowledge-sharing, and training initiatives. Through these efforts, the company is fostering a strong culture of mentorship and skill transfer.

Chery Auto co-organised the 2024 National Industry Vocational Skills Competition– the 4th National New Energy Vehicle Key Technology Skills Contest, hosted by the China Machinery Industry Federation, the Ministry of Human Resources and Social Security,

and the All-China Federation of Trade Unions. Chery Auto won first prize in the Motor Vehicle Inspector category (Intelligent Connected Vehicles and Vehicle-Road Coordination Technology), second prize in the New Energy Vehicle Maintenance Worker category (Energy Conservation, Emission Reduction, and Hydrogen Power Technology), and third prize in the Intelligent Vehicle Maintenance Worker category (Vehicle System Debugging and driving assistance system). The Company has established the “Chery Global Manufacturing Skills Competition” platform, using competitions as a training method to enhance employees’ skills across various fields. This accelerates the cultivation of a skilled workforce featuring technical, knowledge-based, and versatile capabilities within the automotive industry.

At the same time, we fully leverage the advantages of our National Skills Appraisal Station by establishing an 8-level career progression pathway to meet employees’ professional development needs. We have built a multi-track development system for technical workers, through which 279 candidates were selected in 2024 for systematic training that holistically enhanced manufacturing personnel’s comprehensive skills and promoted internal talent mobility. We offer multiple core general courses and support employees in achieving cross-position development upon completion.

Culture Training

Corporate culture embodies the full range of a company's soft strengths developed over time, and ultimately determines whether its values and legacy can be carried forward. In 2024, Chery Auto continued to deepen cultural development and enhance organisational effectiveness by sharing outstanding internal practice cases and clarifying behavioral norms tied to the Company culture. While exploring the role of culture in solving practical problems, employees were guided to reflect on how to practice and spread the culture. We continuously strengthened the empowerment and guidance of our corporate culture's soft power, organizing over 200 culture-related training sessions with more than 10,000 participants. Chery Auto's innovative practices in corporate culture earned the title of "National Best Practice Enterprise in Corporate Culture." Following the top honor in China's corporate culture field—the National Excellent Achievement Special Award in 2023, this recognition once again affirms our authoritative standing in both academia and industry for corporate culture construction.

New Employee Training

To support the career transition of recent graduates, Chery Auto has launched structured development programmes such as the "Chery School Enrollment Camp." These initiatives focus on 3 key dimensions—cultural immersion, professional skills development, and technical knowledge building—delivered through a diverse mix of classroom learning, hands-on exercises, and field visits. By combining theory with practice, the programme enables a smooth and efficient transition from campus to workplace. Additionally, Chery Auto has implemented an innovative mentorship system to provide personalised guidance, helping new hires integrate into the Company culture and collaborate effectively with their teams. In 2024, the Chery School Enrollment Camp trained over 3,300 participants.



Number of courses

16,640

Total duration of training

3,296,100 hours

244 employees certified with

national vocational skill levels

By integrating internal and external resources and collaborating closely with universities and professional institutions, we have built a high-quality internal training resource library. While supporting employees’ lifelong learning, we focus on cultivating high-level technical and management talents that align with industry upgrading needs. In addition, we have established corresponding professional competency certification and incentive mechanisms to provide systematic support for employees’ career development. In 2024, we offered 16,640 training courses, with employees spending a total of 3,296,100 hours receiving the training.

With the rise of artificial intelligence, Chery Auto has integrated the development of an intelligent knowledge system into employees’ daily work. A centralised knowledge management hub has been established, incorporating essential technical, business, and administrative knowledge to enable systematic access and utilisation by employees. The adoption of digital tools has boosted knowledge retrieval efficiency by 5 times, significantly promoting knowledge sharing and application. Our self-developed AI digital assistant platform, CheryGPT, was launched thanks to the collaborative efforts of over 2,000 employees. By the end of 2024, CheryGPT had facilitated more than 500,000 rounds of interaction, boosting workplace efficiency across the organisation.

Health and Safety

Chery Auto strictly adheres to both domestic and international health and safety management standards, continuously optimizing its management system. The Company has passed and maintained ISO 45001 Occupational Health and Safety Management System certification for 6 consecutive years. In 2024, Chery Auto made significant progress in safeguarding employee occupational health, achieving a 58% reduction in the accident injury rate, meeting the annual safety target, and reaching 100% full coverage for employee social insurance, medical check-ups, and personal health records.

We have established a comprehensive occupational health and safety management system that links target achievement with performance incentives. Safety goals are broken down and implemented at all levels, with progress monitored through annual and monthly safety and environmental performance evaluations, as well as routine inspections. Based on institutional documents such as the *Safety Production Management System*, the *Equipment and Facility Safety Management Procedures*, the *Emergency Preparedness and Response Control Procedures*, and the *Occupational Health Monitoring Guidelines for Employees*, Chery Auto has built a safety management framework that covers all operational scenarios. For external stakeholders, we have also implemented dedicated safety management regulations, including the *Stakeholder Management System*, to ensure their operational safety. In 2024, we introduced new standards such as the *Hazardous Operations Behavior Manual* and the *Automated Warehouse Safety Inspection Standards*, further enhancing the effectiveness of our safety management system.

Safety and Environmental Culture Philosophy

Mission
Safe Chery, Happy Homes, Green Development

Vision
Zero Harm, Zero Emissions

Value
Treat Employees Like Family, Create Happiness for All

Policy
Safety, Health, and Environmental Protection Always Come First





Philosophy

- 1. Employee adherence to operating procedures is the foundation of all work
- 2. All accidents could be preventable
- 3. Off-the-job safety is just as important as on-the-job safety
- 4. Hidden risks must be managed with the “THREE DEGREES”¹ and “FOUR NO”² principles
- 5. Safety, health, and environmental management is a “FIVE HEARTS”³ project
- 6. Coexist in harmony with nature

Notes:

1. “THREE DEGREES”: inspections must be conducted with intensity, rectifications must be carried out with speed, and accountability must be enforced with strength.

2. “FOUR NO”: do not close the case if the cause has not been identified, do not close the case if the responsible person has not been dealt with, do not close the case if employees have not been educated, do not close the case if corrective measures have not been implemented.

3. “FIVE HEARTS”: conscience, sense of responsibility, dedication, attentiveness, and perseverance.

Safety Production and Occupational Health Management

We have continuously optimised our occupational health and safety and environmental management system by establishing a Safety and Environmental Protection Committee and an Executive Committee responsible for overseeing production safety. Through regular committee meetings, specialised executive sessions, and the distribution of monthly, weekly, and daily reports, we have ensured the effective sharing of safety and environmental information, resources, and management practices.

We have signed a *Production Safety Management Agreement* with external stakeholders to inform them of potential hazards and relevant management policies. We have conducted strict reviews of their entry qualifications and prohibit any personnel who do not meet the requirements from accessing the site. In the event of a safety violation, we immediately suspend their operations until they meet on-site safety standards.

We continuously improve the safety and environmental inspection system with annual, semi-annual, and monthly evaluations. In 2024, the Company continued to strengthen safety and environmental supervision by establishing a full-process management system covering hazard identification (safety risk inspections), tracking, rectification, and final acceptance.

To ensure employee health and safety, we have actively conducted safety redundancy designs and strengthen engineering control measures. For example, in the welding workshop, beyond the existing dual protection of “safety light curtains and laser scanners,” we have innovatively introduced AI visual prevention and monitoring technology to build a three-dimensional protection system, effectively preventing mechanical injury accidents.

We have carried out fire risk identification initiatives to pinpoint critical fire-prone areas. By developing standardised management manuals for these key locations, we have promoted standardised fire safety controls. Additionally, we have conducted various fire safety inspections, including on-site testing and verification of automatic fire-fighting systems and online checks of fire equipment, ensuring all fire protection devices function properly. At the same time, we have strengthened technical prevention management in critical areas by expanding thermal imaging monitoring coverage to enable timely alarms for abnormal temperatures, further enhancing risk prevention and control.

To further strengthen employee occupational health and safety management, we have implemented an online hazard inspection system and regularly conduct hazard identification and standardised control. Based on the severity of hazards, we implement a hierarchical and classified management approach: general hazards are recorded by each team in the Team Safety Logbook; larger or more significant hazards receive regular management and maintenance. Additionally, risk warnings are visually displayed in the areas where hazards are present, and leaders at all levels are responsible for daily inspections.

In 2024

2 rounds of fire risk identification were conducted

93 sites held 30-second fire emergency drills

100% rectification rate for all fire hazards

100% compliance rate

Identification and Risk Control of Occupational Health Hazards

Hazard Identification

Following the classifications in the *Classification of Enterprise Employee Injury and Fatality Accidents and the Classification and Codes of Hazards and Harmful Factors in Production Processes*, a comprehensive identification of hazards is conducted across all work environments, equipment and facilities, production processes, hazardous substances, personnel, and work activities.

Risk Assessment

Using the Likelihood and Exposure Consequence Determination (LECD) method, risks associated with identified hazards are qualitatively and quantitatively evaluated to assess their impact.

Tiered Control

Based on the evaluation results, hazard sources are classified into four levels: major, significant, moderate, and general, with corresponding control standards defined for each level. For significant and above-level hazards, risk warnings and supervisory controls are implemented in the relevant areas, sites, and equipment through visual boards.

Regarding the management of occupational disease hazard positions, we strictly follow the *Technical Specifications for Occupational Health Monitoring* to establish a comprehensive health record system for employees and fully implement pre-employment, on-the-job, and post-employment medical examinations. In 2024, by issuing and implementing the *Employee Health Management Standard (Third Edition)* and collaborating across multiple departments to advance 23 health improvement initiatives, we continuously optimised workplace conditions and ultimately achieved the goal of zero occupational disease cases throughout the year.

Employee Health

We have always prioritised employee health management, conducting annual comprehensive medical check-ups for all staff and implementing specialised occupational disease screenings for employees in high-risk positions upon onboarding, on-position and offboarding. Additionally, we have established dedicated health service facilities equipped with professional medical devices and launched diverse health promotion activities, and built a comprehensive employee health protection system.

Safety Culture Development

We have taken a systematic approach to building a strong safety culture by conducting multi-level safety education programmes. These include Safety Production Month activities, onboarding training for new employees, targeted training for management, immersive safety experience sessions, and specialised courses on fire safety and occupational health, aimed at comprehensively improving employees’ safety awareness. At the same time, we have implemented engineering upgrades such as process optimisation, hazard substitution, and protective equipment enhancements to continually strengthen workplace safety infrastructure. To improve employee safety and environmental protection competencies, we established a monthly review and knowledge-sharing mechanism, and regularly test employee capabilities through assessments. In 2024, we launched a series of awareness-raising events during the Occupational Disease Prevention Law Week, inviting medical institutions and third-party safety experts to deliver specialised training for all occupational health management personnel. The year 2024 recorded 2,411,357 training participations in occupational safety and health programmes by employees.

Chery Health Project Promotes Health Knowledge

Through the “Chery Health” Distinguished Doctors Lecture Series and weekly online sessions, we deliver comprehensive, multidimensional health education. Our “You Understand Me” mental health lesson offers case studies to help employees better understand common psychological issues.

“Blue Ribbon” Safeguards Life Safety

The “Blue Ribbon” emergency rescue training programme equips employees with essential emergency theory and rescue skills, ensuring lifesaving support is always nearby.

Health Corner Extends Health Services

We have set up Employee Health Corners that are continuously upgraded with new equipment such as blood pressure monitors, thermometers, and body fat scales, enriching the range of health monitoring services available.

Walking Challenge Advocates Healthy Living

For several years, we have promoted walking events, providing basic fitness gear to participants and encouraging engagement through prize incentives, fostering a culture of health and an active lifestyle.

Medical Stations Enhance Health Protection

In partnership with local health authorities, we have established onsite medical stations within our facilities. This brings medical services closer to employees, shortening critical emergency response times and improving the efficiency of medical treatment.

Mind Care Station Cares for People’s Mental Health

We have expanded both online and offline Mind Care Stations and have run an Employee Assistance programme (EAP) for multiple consecutive years. Mindfulness meditation classes are offered to help employees effectively relieve psychological stress and enhance mental well-being.

Diversity, Equality, and Employee Care

Culture of Equality



Gender Equality

By the end of 2024, women held 18.91% of management positions—a 3.59 % increase from 2023. We are committed to raising the percentage of female managers to at least 22% by 2030. To support this goal, we require that the percentage of female hires among fresh graduates in the R&D team shall not be less than 30%. By the end of 2024, the Company had 6 female talents recognised as provincial-level leaders in strategic emerging industries, 20 female employees awarded for scientific progress, and 19 recognised with national, provincial, or municipal honors.



Global Workforce

By the end of the reporting period, our international workforce overseas comprised employees from 39 different countries. To support business development in emerging global markets, we plan to establish 5 new talent pools.



Fair Compensation

The Company has always upheld the principle of fair compensation, ensuring gender equality and equal pay for equal work. We strive to achieve fairness in compensation opportunities while balancing external equity, internal equity, and individual equity, so as to maximize employee motivation and foster shared growth and development.

In 2024, female employees accounted for 18.6% of patent programme staff in STEM fields.

From 2022 to 2024, 26% of female employees won win national, industry, and provincial skills competitions and quality control (QC) achievement awards.



Caring for Health

We are committed to building a holistic employee care system that goes beyond local legal labour protections. Our integrated benefits programme spans essential areas such as living support, children’s education, and healthcare. In 2024, we launched several initiatives, including medical subsidies, inclusive services, housing arrangements, vehicle discounts, and housing support, to enhance employee wellbeing. A key highlight in 2024 was the rollout of a new inpatient medical assistance platform, which significantly reduced the financial burden of medical care for employees. To meet core needs around food, housing, and transportation, we also advanced efforts in dining facility upgrades, dormitory improvements, and commuter shuttle enhancements, driving an overall increase in employee satisfaction. We have implemented a tiered and targeted care system to address the needs of specific groups, including overseas employees, working parents, and new hires. A dedicated women’s protection programme provides tailored services such as lactation rooms and priority maternity check-up channels for pregnant and nursing employees. We also offer paid parental leave during both primary and secondary caregiving phases. Through our ongoing Chery Employee

Mutual Aid Fund, we provide timely financial support to employees facing major illnesses or emergencies. In 2024, the programme supported 6 employees experiencing accidents. The three-tier support system proved effective, with 74 employees facing hardship identified and assistance provided.

We actively promote a vibrant and fulfilling workplace by organizing a wide range of employee engagement activities aimed at enhancing happiness and fostering a positive lifestyle. To support this, we’ve built a cultural and sports centre in our dormitory area and established various employee associations, including football, basketball, and arts and calligraphy clubs, encouraging a healthy and active lifestyle. In 2024, we continued to promote the “Chery RUN” brand culture through themed events such as “Together to the Future” and “Let’s Go—Running Toward 2025”. Additional activities included a company-wide walking challenge, table tennis and football leagues, reading salons, photography contests, mobile gaming competitions, and the Happy Chery –Golden Autumn Cultural Performance and various other activities. These initiatives reflect our corporate philosophy of working with joy, living with happiness.



Caring for Family

In June 2024, the Company’s labour union launched the “Hand in Hand, Growing with Chery” family carnival series, partnering with popular theme parks including White Whale Ocean Park, Dapu Amusement Island, and Eqiao Town. The events created a shared experience platform for over 6,000 employee families to strengthen parent-child bonds

and deepen their connection with the Company. To further enhance the sense of home and belonging, Chery Auto hosted “Building Dreams Together With Children” family open days from July to August. In collaboration with local labour unions, the initiative welcomed more than 4,000 employee families to visit Chery Auto's facilities, offering them an immersive experience of the workplace and our “Happy Chery” culture.



CASE

Celebrating a Bright Future for Employees’ Children Who Excel in Exams

We care deeply not only for our employees but also for their families. To support parents during pivotal academic moments, we offer special leave for accompanying children during high school and college entrance exams. Each year, following the release of exam results, we organise celebratory events to recognise the achievements of employees’ children, presenting congratulatory letters and monetary awards. Since launching this initiative in 2016, Chery Auto has awarded 604 students, distributing a total of RMB 1.04 million in recognition.

Force for Good

Chery Auto consistently upholds the concept of being a “global corporate citizen,” placing great emphasis on the symbiotic relationship between the Company and the communities where it operates. We integrate social welfare resources and focus our efforts on 3 key areas: caring for children, public charity, and rural revitalisation. Through sustained investment, we continuously enhance our positive impact on communities worldwide, contributing to sustainable social development.

Caring for Children

At Chery Auto, we firmly believe that children represent the future of society, and it is our unshirkable responsibility to care for and nurture the next generation. We place the protection of children’s rights as a top priority in our corporate social responsibility efforts. Through tangible actions, including supporting education, participating in the Hope Project, improving rural school conditions, and caring for left-behind and visually impaired children, we actively contribute to creating a better environment for children’s development. In addition, Chery Auto has established a strategic partnership with United Nations International Children’s Emergency Fund (UNICEF) to jointly advance global child welfare programmes, ensuring a safe and healthy growth journey for children around the world.

CASE

“Powering Every Child’s Learning Journey” - Chery Auto and UNICEF Global Partnership Project

Since 2023, Chery Auto has established a global education partnership with UNICEF. By supporting UNICEF’s educational programmes worldwide, this collaboration will help UNICEF address the global learning crisis and provide quality education to the most vulnerable and marginalised children globally. Chery Auto also supports UNICEF’s educational programmes in China, Mexico, South Africa, and Türkiye, contributing to creating inclusive, healthy, and safe learning environments, providing equal learning opportunities for children, and supporting young people’s employability in these countries.

Investing in education is the most effective way to ensure a bright future for children, communities, and nations. In Mexico, the partnership supported preventing and responding to school violence, enhanced literacy among indigenous students, and helped children affected by natural hazards. In South Africa, the partnership has strengthened

the national education system from early childhood education to science, technology, engineering, and mathematics (STEM) education for adolescents, highlighting cutting-edge skills like coding and programming. In Türkiye, Chery Auto supported UNICEF providing temporary learning spaces, educational materials, and psychological support services for children affected by earthquakes in 2023, ensuring education continued despite infrastructure damage. Education programmes in China focused on improving access to STEM education in rural areas and promoting equitable development in education.

Since 2023, Chery Auto has supported UNICEF in reaching nearly 40 million children and adolescents worldwide, including 17 million in emergencies, to access quality education.



CASE

Chery Auto's 2024 Dream Realisation Programme

Chery Auto's "Dream Realisation Programme" is a public welfare initiative dedicated to building dreams for children and spreading social warmth through fulfilling wishes. The project innovatively employs 3 key support models: Dream Exploration Journeys, Family Reunion Activities, and Educational Growth Support, comprehensively promoting children's cognitive development, emotional nurturing, and mental growth. In 2024, our project in Guizhou organised visits for children in mountainous areas to natural wonders like the Huangguoshu Waterfall, opening a window for these children to explore the world. The project in Zhejiang thoughtfully arranged reunion activities for left-behind children and their migrant worker parents, strengthening emotional bonds through parent-child interactions and photo documentation. Chery Auto will continue to innovate in public welfare practices, accompanying more children with love and responsibility as they courageously pursue their dreams and grow happily.



CASE

"Warm Journeys with JETOUR" 2024 JETOUR Fans Culture Festival Qinghai Charity Education Trip

On August 19, 2024, JETOUR launched a charity education campaign themed "Warm Journeys with JETOUR" partnering with the China Social Welfare Foundation's Warmth Plan Charity Fund and enthusiastic Chery car owners to support Hetang Primary School in Daowei Township, Qinghai. The event brought new computers, printers, and other teaching equipment to the rural school and donated desks, chairs, and 500 "Warmth Packs" to rural schools in



Qinghai and Guizhou, providing heartfelt support for the new semester. On August 25, the "7th JETOUR Fans Culture Festival" was held in Yangshuo, Guilin. JETOUR specially invited children from Hetang Primary School in Qinghai to participate in a study tour, allowing them to experience the classic landscapes from their textbooks firsthand through visits to famous Guilin scenic spots. This educational travel enriched their understanding of traditional Chinese culture, broadened their horizons, and expanded their knowledge. By the end of 2024, JETOUR, together with its owners, had successfully organised 364 charity events and launched the "Path of Hope" charity brand. Leveraging resources from the Warmth Fund platform, the project works closely with a wide community of owners and fans to provide systematic support in the 4 essential areas of daily life, clothing, food, utilities, and transportation, offering comprehensive assistance to left-behind children. Additionally, the JETOUR APP features a dedicated charity column that regularly updates event information and actively encourages employees, customers, and society at large to participate in this heartfelt initiative.

Charitable Assistance

We have always upheld a sincere commitment to fulfilling our social responsibilities, leveraging our expertise and operational strengths as an automotive Company. Globally, we continuously carry out high-quality philanthropic projects aimed at delivering warmth and hope to vulnerable groups, striving to achieve a harmonious integration of commercial and social value.

Volunteer Service

We have continuously deepened the “Learn from Lei Feng” themed practice by systematically organizing youth volunteer service teams, integrating the spirit of volunteering into daily work and life. In 2024, we organised over 30 innovative and content-rich volunteer activities. Among these initiatives, Chery Auto’s “Caring for Visually Impaired Children, Lighting Up Hope” volunteer programme was honored as a Youth Volunteer Service Demonstration Project by the Wuhu Municipal Government and won first prize at the 5th Anhui Youth Volunteer Service Project Competition. By the end of 2024, a total of 2,522 volunteers had been formally registered, contributing a cumulative 2,072.9 hours of volunteer service. We focused on dedicated care initiatives for the elderly and children, along with outreach and support efforts for disadvantaged groups, conveying the Company’s warmth and care for the society.

International Aid

As a global corporate citizen, we have maintained close ties with communities where we operate overseas. Following the severe flooding in Rio Grande do Sul, Brazil, in 2024, we responded promptly by donating emergency living supplies valued at RMB 720,000 through the well-known local charity MOVIMENTO UNIÃO BR, providing timely assistance to affected residents and supporting disaster recovery efforts.

Rural Revitalisation

Leveraging our core business capabilities and the driving effect of the automotive industry chain, we actively respond to the national policies promoting new energy vehicles (NEVs) in rural areas. We regard rural transportation as a strategic focus to support rural revitalisation, continuously backing the development of transportation infrastructure in the countryside. This effort effectively fosters diversified rural economic growth and the enhancement of local industrial ecosystems. In 2024, Chery Auto contributed 8 NEV models, including the Fulwin T9, EXCEED RX C-DM, JETOUR Shan Hai L9, and iCAR 03, to rural outreach programmes. By enhancing vehicle accessibility and user experience, we infused green momentum into rural revitalisation. In the same year, the Company allocated targeted funding totalling RMB 2.7955 million, focusing on agricultural support, educational assistance, and cultural revitalisation projects. This has effectively helped improve rural residents' quality of life while enhancing educational resources.

In 2024

Total investment in public welfare and charitable initiatives

RMB 35.1564 million

Total investment in rural revitalisation programme

RMB 2.7955 million

CASE

Joining Forces for Public Good, Driving Rural Revitalisation

In February 2024, Chery Holding entered a three-year strategic public welfare partnership with the Rongjiang County Government and the Guizhou Village Super League. By leveraging the combined strengths of government and enterprise, the collaboration aims to drive rural revitalisation through initiatives in sports, agricultural support, and education. Under the shared vision of “Gather in Rongjiang, Let Passion Flow,” Chery Auto and Village Super League launched a series of community-focused projects. These include hosting friendly village football matches, establishing public welfare exhibition zones, promoting local agricultural products through livestream sales, organizing youth football training programmes, and offering educational support for left-behind children. Beyond promoting a healthy and active lifestyle, these efforts are helping to build a robust “Super Economy” ecosystem in the region, boosting rural homestays, improving transport infrastructure, and enhancing cultural tourism experiences. Together, these actions demonstrate Chery Auto’s commitment to empowering rural industries, advancing education, and improving quality of life in local communities.



ESG Key Performance Indicators

Economic

Indicator	Units	2024
Revenue	RMB 1,000,000	269,897
Annual net profit	RMB 1,000,000	14,334
Annual R&D investment	RMB 1,000,000	10,544
Total passenger vehicle sales	1,000 vehicles	2,295.8
-Sales of ICE vehicles	1,000 vehicles	1,816.7
-Sales of BEVs	1,000 vehicles	201.1
-Sales of PHEVs	1,000 vehicles	258.8
-Sales of REEVs	1,000 vehicles	19.3
New NEV models released throughout the year	number	9
New energy vehicle sales throughout the year	1,000 vehicles	479.2
Sales of NEVs increased year-on-year throughout the year	%	267.40
Proportion of NEVs sales in total sales	%	20.87
China vehicle production bases	number	7

Governance

Indicator	Units	2024
Board effectiveness and diversity		
Total number of Board members	person	15
Number of independent non-executive directors	person	6
Proportion of independent non-executive directors	%	40.00
Number of female directors	person	3
Proportion of female directors	%	20.00
Number of Board meetings held during the year	time	8
Average attendance of directors at meetings	%	100.00
Resolutions considered by the Board	item	50
Number of business ethics trainings for the Board	time	1
Proportion of directors participating in business ethics trainings	%	100.00
Business ethics		
Number of business ethics training	session	595
Cumulative duration of business ethics training	hour	59,917.50
Employee coverage of business ethics training	%	100.00
Concluded corruption litigation against the Company or employees	case	0

Governance

Indicator	Units	2024
Number of corruption incidents investigated internally	case	7
Number of violations of conflict of interest investigated internally	case	5
Number of non-compliance incidents of money laundering or insider trading investigated internally	case	0
Number of labor contracts terminated due to corruption and fraud	person	22
Number of terminated supplier relationships due to corruption (vehicle manufacturing)	number	0
Number of employees in key positions signing the “Commitment Letter for Integrity”	person	17,417
Coverage rate of employees in key positions signing the “Commitment Letter for Integrity”	%	100.00
Protection of intellectual property rights		
Number of patent applications annually	case	5,295
Number of patents granted annually	case	2,307
Total number of patents granted by the end of 2024	case	13,700+
Sustainability Management Committee		
Number of Special Meetings held by the Sustainability Management Committee	session	3

Environmental

Indicator	Units	2024
Environmental management		
Investment in environmental pollution control	RMB 1,000,000	224.30
Year-on-year growth for environmental pollution control investment	%	90.00
ISO 14001 certified China vehicle production bases	number	6
ISO 14001 certified manufacturing enterprise	number	19
Year-on-year growth for ISO 14001-certified China manufacturing enterprises	%	18.90
ISO 50001 certified China vehicle production bases	number	5
National “Green Factory”	number	2
National “Green Supply Chain Management Enterprise”	number	1
Enterprises selected for Anhui Province's first Net-zero Carbon Industrial Park preparation list	number	3
Intelligent Microgrid Project	number	1
A-rated factory for heavy pollution weather	number	2
B-rated factory for heavy pollution weather	number	3
Complaints about major environmental incidents	case	0
Environmental pollution accident	case	0
Penalties arising from environmental-related violations	case	0
Amount of penalties for environmental-related violations in fiscal year 2021-2024	RMB	0

Environmental

Indicator	Units	2024
Pollutant emissions-Air pollutant		
Nitrogen oxide (NO _x) emissions	tonnes	143.85
Nitrogen oxide (NO _x) emission intensity	kg/vehicle	0.06
Sulfur dioxide (SO ₂) emissions	tonnes	37.56
Sulfur dioxide (SO ₂) emission density	kg/vehicle	0.02
Volatile organic compounds (VOCs) emissions	tonnes	299.87
Volatile organic compounds (VOCs) emission density	kg/vehicle	0.12
Particulate matter emissions	tonnes	226.56
Particulate matter emission density	kg/vehicle	0.08
Pollutant emissions-Waste water		
Total wastewater discharge	tonnes	3,039,346.33
Total industrial wastewater discharge	tonnes	2,704,701.37
Industrial wastewater discharge density	tonnes/vehicle	1.05
Total domestic sewage discharge	tonnes	334,644.96
Domestic sewage discharge density	tonnes/vehicle	0.10
Chemical oxygen demand (COD) emissions	tonnes	327.51
Chemical oxygen demand (COD) emission density	kg/vehicle	0.12
Ammonia nitrogen emissions	tonnes	14.58
Ammonia nitrogen emission density	kg/vehicle	0.01

Environmental

Indicator	Units	2024
Pollutant emissions-Waste		
Total waste discharge	tonnes	246,230.79
Total weight of recycled waste	tonnes	228,827.22
-Direct reuse of waste	tonnes	1,781.83
-Recycled waste	tonnes	193,192.56
-Waste disposed of by other recycling operations	tonnes	33,852.81
Total weight of waste entering disposal	tonnes	17,403.57
-Incineration	tonnes	14,252.83
-Landfill	tonnes	675.56
-Other disposal operations	tonnes	2,475.17
Total emission of non-hazardous solid waste generated	tonnes	225,804.22
Emission intensity of non-hazardous solid waste generated	Kg/vehicle	85.65
Total hazardous waste discharge generated	tonnes	20,426.57
Emission intensity of hazardous waste generated	Kg/vehicle	8.07
Energy management ¹		
Total energy consumption	tce	225,252.13
	MWh	1,833,274.68
Energy consumption intensity	tce/RMB 1,000,000 revenue	0.83
	MWh/RMB 1,000,000 revenue	6.79

Environmental

Indicator	Units	2024
Direct energy consumption		
Direct energy consumption	tce	91,803.11
	MWh	747,370.74
Direct energy consumption intensity	tce/RMB 1,000,000 revenue	0.34
	MWh/RMB 1,000,000 revenue	2.77
Gasoline	litre	19,682,923.60
Diesel oil	litre	79,826.01
Natural gas	standard cubic meter	53,055,297.63
Indirect energy consumption		
Indirect energy consumption amount	tonnes	133,449.02
	MWh	1,085,903.94
Indirect energy consumption intensity	tce/RMB 1,000,000 revenue	0.49
	MWh/RMB 1,000,000 revenue	4.02
Electricity	MWh	959,799.19
Thermal energy	GJ	453,977.09
	MWh	126,104.75
Renewable energy use		
Photovoltaic grid-connected installed capacity of China vehicle production bases	MW	210.30
Photovoltaic power generation of vehicle production base	MWh	139,345.61
Total volume of purchased green electricity	MWh	99,316.00

Environmental

Indicator	Units	2024
Proportion of green power in total electricity consumption ²	%	24.87
Proportion of green power in total electricity consumption in China vehicle production bases	%	30
Energy storage system capacity in China vehicle production bases	MWh	56.3
GHG emissions and carbon management ³		
GHG Emissions (Scope 1)	tCO ₂ e	202,687.43
GHG Emissions (Scope 2)	tCO ₂ e	530,395.09
GHG Emissions (Scope 3)	tCO ₂ e	97,718.10
-Category 3: Fuel- and energy-related activities	tCO ₂ e	29,092.98
-Category 6: Business travel	tCO ₂ e	42,645.45
-Category 7: Employee commuting	tCO ₂ e	25,979.67
GHG emissions (Socpe 1+2)	tCO ₂ e	733,082.52
GHG emission intensity (Scope 1+2)	tCO ₂ e/vehicle	0.30
Models on sale with calculated carbon footprint	number	60
Coverage rate of models on sale with calculated carbon footprint	%	96.77
Average power consumption of BEVs (China-CLTC)	KWh/100 kilometers	12.96
Average power consumption of pure electric vehicles (EU-WLTP)	KWh/100 kilometers	16.58
Water resources management		
Total water consumption	tonnes	166,014,106.19
-Total water consumption for manufacturing	tonnes	4,838,412.60
-Total water consumption for non-manufacturing activities	tonnes	1,247,109.76

Environmental

Indicator	Units	2024
-Recycled water consumption	tonnes	159,994,622.99
-Proportion of recycled water consumption	%	96.37
Total water withdrawal (Fresh water consumption)	tonnes	6,121,754.86
-Surface water	tonnes	1,051.00
-Groundwater	tonnes	0
-Municipal water	tonnes	5,688,040.99
-Purchased reclaimed water	tonnes	2,425.00
Water consumption intensity	tonnes/vehicle	2.27
Raw material management		
Total raw material consumption	tonnes	680,643.42
-Steel	tonnes	538,114.46
-Aluminum	tonnes	36,021.87
-Plastic	tonnes	28,653.83
-Paint	tonnes	25,499.24
-Others	tonnes	52,354.02
Packaging material management		
Total packaging materials used (including export packaging)	tonnes	92,148.81
-Metals	tonnes	25,485.12
-Paper	tonnes	17,377.45
-Plastics	tonnes	30,668.65
-Others (such as wooden boxes, wooden pallets, plywood, etc.)	tonnes	18,617.59

Indicator	Units	2024
Total weight of packaging made from renewable or recycled materials	tonnes	75,572.05
Proportion of packaging made from renewable or recycled materials	%	82.01
Packaging material use density	kg/vehicle	38.22

Notes:

1. The conversion factors for total energy consumption are sourced from GB/T 2589-2020 General Principles for Calculation of Comprehensive Energy Consumption. The above energy consumption density includes both renewable energy (such as photovoltaic power generation and green electricity purchases) and non-renewable energy (such as natural gas, gasoline, diesel, and purchased steam).

2. Green electricity proportion = (on-site distributed self-generated electricity + green electricity trading + green certificate trading) / total electricity consumption × 100%

3. Chery Automobile's greenhouse gas emissions are calculated as follows:

- For direct energy sources such as gasoline, diesel, and natural gas, emission factors are based on the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, 2019 Refinement.
- Emission factors for steam are sourced from the Guidelines for Accounting and Reporting of Greenhouse Gas Emissions by Machinery Manufacturing Enterprises (Trial).
- Emission factors for electricity are sourced from the 2022 Electricity CO₂ Emission Factors issued by the Ministry of Ecology and Environment and the National Bureau of Statistics.

Social

Indicator	Units	2024
Employee (excluding overseas)		
Total employees	person	55,707
Number of new employees	person	30,463
Number of fresh graduates	person	3,390
Number of R&D personnel	person	13,310
R&D personnel as a proportion of non-production employees	%	52.58
Employee breakdown by employment type		
Full-time employees	person	55,707
Part-time employees	person	0
Proportion of full-time employees	%	100
Proportion of part-time employees	%	0
Employee breakdown by gender		
Female	person	8,781
Male	person	46,926
Proportion of female employees	%	15.76
Proportion of male employees	%	84.24
Employee breakdown by age		
Under 30 years old	person	24,629
30-50 years old	person	30,168
Over 50 years old	person	910

Social

Indicator	Units	2024
Proportion of employees under 30 years old	%	44.21
Proportion of employees aged 30-50	%	54.16
Proportion of employees over 50 years old	%	1.63
Employee breakdown by geographical region		
Chinese mainland employees	person	55,646
Employees in Hong Kong, Macao and Taiwan	person	9
Foreign employees	person	52
-South Korea	person	13
-United States	person	12
-Japan	person	5
Proportion of employees from Chinese mainland	%	99.89
Proportion of employees from Hong Kong, Macao and Taiwan regions	%	0.02
Proportion of foreign employees	%	0.09
-Proportion of Korean employees	%	25.00
-Proportion of American employees	%	23.08
-Proportion of Japanese employees	%	9.62
-Proportion of employees of other nationalities	%	42.30
Employee turnover (excluding overseas)		
Employee turnover	person	17,455
Employee turnover rate	%	23.86

Social

Indicator	Units	2024
Employee turnover rate by gender		
Female	%	13.22
Male	%	25.57
Employee turnover rate by age		
Under 30 years old	%	29.57
30-50 years old	%	18.75
Over 50 years old	%	14.31
Employee turnover rate by region		
Mainland employees	%	23.87
Employees in Hong Kong, Macao and Taiwan	%	0.00
Foreign employees	%	13.21
Employee training and development (excluding overseas)		
Investment in employee training	RMB 1,000,000	20.98
Number of training courses offered	number	16,640
Total number of employees trained	person	40,655
Total employee training hours	hour	3,296,093.69
Average training hours per employee	hours/person	59.17
Training participation rate by gender		
Female	%	18.92
Male	%	81.08

Social

Indicator	Units	2024
Training participation rate by position		
Senior management	%	0.39
Middle management	%	2.15
General staff	%	97.46
Average training hours by gender		
Female	hours/person	57.12
Male	hours/person	59.55
Average training hours by position		
Senior management	hours/person	37.14
Middle management	hours/person	31.61
General staff	hours/person	59.72
Employee rights and benefits (excluding overseas)		
Total Number of employees benefited by Share Incentive Scheme	person	3,000
Labor contract signing rate	%	100.00
Social insurance coverage	%	100.00
Physical examination and health record coverage	%	100.00
Percentage of employees receiving regular performance and career development appraisals	%	100.00
Proportion of union-represented employees	%	100.00
Coverage of collective agreement employee	%	100.00
Total number of female employees taking parental leave during the reporting period	person	860

Social

Indicator	Units	2024
Total number of male employees taking parental leave during the reporting period	person	1,297
Total number of female employees who returned to work after parental leave during the reporting period	person	273
Total number of male employees who returned to work after parental leave during the reporting period	person	629
Diversity, equity and inclusion (excluding overseas)		
Proportion of female employees in managerial positions	%	18.91
Proportion of female managers increased year-on-year	%	3.59
Proportion of female employees in senior management	%	10.81
Proportion of female managers in income-generating and functional departments	%	14.18
Number of female employees in STEM positions	person	3,456
Number of minority employees	person	2,791
Number of persons with disabilities supported for employment	person	853
Occupational health and safety ⁴		
Number of work-related fatalities	person	0
Work-related fatality rate	‰	0
Number of production safety incidents	number	23
Workdays lost due to production safety incidents	day	1,846
Cumulative number of injuries from production safety incidents (annual)	person	23
Occupational injury rate	‰	0.41

Social

Indicator	Units	2024
Lost Time Injury Frequency Rate (LTIFR) ⁵		0.21
Company-wide fire risk identification activities	round	2
Company-wide fire hazard rectification rate	%	100.00
30-second fire emergency drill execution	session	93
Fire emergency drill pass rate	%	100.00
Occupational disease cases	number	0
Occupational health and safety training coverage rate	%	100.00
Occupational health and safety training sessions attendance	person-time	2,411,351
Supplier management (vehicle manufacturing)		
Suppliers in China	number	1,216
-Eastern China	%	70.52
-Southern China	%	6.00
-Northern China	%	6.44
-Central China	%	7.83
-Other areas	%	9.21
Core suppliers	number	192
Proportion of core suppliers	%	15.79
Selected suppliers	number	248
Proportion of selected suppliers	%	20.39
General suppliers	number	776

Social

Indicator	Units	2024
Proportion of general suppliers	%	63.82
Proportion of ISO 14001 certified suppliers	%	87.01
Proportion of IATF 16949 certified suppliers	%	97.37
Proportion of suppliers that have signed the Supplier Code of Conduct	%	100.00
Total hours of supplier training	hour	1,600.00
Number of suppliers participating in quality-related training	number	380
Number of suppliers participating in business ethics training	number	400
Revenue from mineral products originating from conflict-affected and high-risk areas	RMB	0
Dealer management		
Number of dealers (domestic + international)	number	6,285
Number of dealer trainings conducted	number	2,428
Number of dealers attending training	number	6,159
Proportion of dealers attending training	%	98.00
Total hours of dealers training	hour/dealer	30,606
Product quality and safety		
Proportion of products that pass safety and health assessment	%	100.00
Employee quality training coverage	%	100.00
Total hours of quality training received by employees	hour	360,168
Average hours of employees receiving quality training	hours/person	5.38
Chairman's Quality Promotion Annual Meeting ⁶	session	12

Social

Indicator	Units	2024
ISO9001 certification coverage ⁷	%	100.00
Quality management related system update ⁸	item	73
Proportion of total products sold or shipped that are subject to recall for safety and health reasons, 2021-2024	%	0
Number of public recall ⁹	number	2
Number of vehicles recalled	number	11,937
Product recalls as a percentage of total sales	%	0.52
Information security and privacy protection		
Information and cybersecurity incidents	case	0
User personal data protection violations	case	0
Users affected by corporate data breaches	person	0
User information security incidents announced by government regulators	case	0
User information security incidents announced by third-party external organizations	case	0
Number of information security offensive and defensive drills	number	2
Number of information security emergency drill	number	1
Number of information security awareness assessment for all employees	number	4
Number of information security phishing drill	number	1
Employees receiving special training in information security	person	67,150
Employees receiving privacy protection and data compliance training	person	140,075
Information security and privacy protection compliance training coverage	%	100.00

Social

Indicator	Units	2024
Customer service		
Number of customer complaints (product quality and service category)	case	48,670
-Number of complaints from domestic users	case	24,628
-Number of complaints from overseas users	case	24,042
Charity/Community relations		
Total investment in social welfare charity	RMB 1,000,000	35.1564
Special investment in rural revitalisation	RMB 1,000,000	2.7955
Number of models participating in in the “National New Energy Vehicles Going to the Countryside Activity”	number	8
Number of registered young volunteers	person	2,522
Total cumulative service time of young volunteers	hour	2072.9

Notes:

4. In 2023, there was 1 work-related fatality, resulting in a fatality rate of 0.02‰;
In 2022 and 2021, there were no work-related fatalities, with a fatality rate of 0‰ in both years.

5. The Lost Time Injury Frequency Rate (LTIFR) in 2023 was 0.29.

Calculation formula:

$LTIFR = (\text{Number of lost time injuries} \times 1,000,000) / \text{Total employee working hours}$

$\text{Total employee working hours} = \text{Number of employees} \times 8 \text{ hours/day} \times 251 \text{ days (for 2024)}$

6. Target for 2025: 12 annual meetings of the Chairman’s Quality Promotion Committee

7. Target for 2025: 100% ISO9001 certification coverage

8. Target for 2025: 50 updates to quality management-related policies and procedures

9. Public recalls in 2023: 3 times; Number of vehicles recalled in 2023: 52,894
Public recalls in 2022: 6 times; Number of vehicles recalled in 2022: 243,103
Public recalls in 2021: 3 times; Number of vehicles recalled in 2021: 84,436

ESG Reporting Code Index

Subject Areas, Aspects, General Disclosures and KPIs	Description	Page
A1	Emissions	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	P83-86
A1.1	The types of emissions and respective emissions data.	P111
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P111
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P111
A1.5	Description of emissions target(s) set and steps taken to achieve them.	P84
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.	P83-84
A2	Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	P79-81 P87-90
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).	P111-112
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P113
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P79-80

Subject Areas, Aspects, General Disclosures and KPIs	Description	Page
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.	P87
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	P113
A3	The Environment and Natural Resources	
General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources.	P82
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P82
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.	P95-97 P104-105
B1.1	Total workforce by gender, employment type (for example, full- or part time), age group and geographical region.	P114
B1.2	Employee turnover rate by gender, age group and geographical region.	P114-115
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.	P101-103

Subject Areas, Aspects, General Disclosures and KPIs	Description	Page
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P116 ; P118
B2.2	Lost days due to work injury.	P116
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P101-103
B3	Development and Training	
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	P97-101
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P115
B3.2	The average training hours completed per employee by gender and employee category.	P115
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 labour.	P95
B4.1	Description of measures to review employment practices to avoid child and forced labour.	P95
B4.2	Description of steps taken to eliminate such practices when discovered.	P95
B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	P57-61 ; P63-65
B5.1	Number of suppliers by geographical region.	P116
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.	P58-59

Subject Areas, Aspects, General Disclosures and KPIs	Description	Page
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P60-61
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P64-65
B6	Product Responsibility	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P66
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	P117
B6.2	Number of products and service related complaints received and how they are dealt with.	P48 ; P118
B6.3	Description of practices relating to observing and protecting intellectual property rights.	P40
B6.4	Description of quality assurance process and recall procedures.	P44-46
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P26-28
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.	P20-22
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.	P20
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P20-22

Subject Areas, Aspects, General Disclosures and KPIs	Description	Page
B7.3	Description of anti-corruption training provided to directors and staff.	P21
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.	P106
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P106-108
B8.2	Resources contributed (e.g. money or time) to the focus area.	P118
Part D: Climate-related Disclosures		

This part will take effect for fiscal years beginning on or after January 1, 2025. This report is disclosed in accordance with Appendix C2 of the “Environmental, Social and Governance Reporting Guide” as of December 31, 2023. For details, please refer to the “Addressing Climate Change” section.

GRI Content Index

Statement of use	Chery Auto has reported the information cited in this GRI content index for the period between January 1, 2024 and December 31, 2024 with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
GRI Standard	Disclosure	Page
GRI 2: General Disclosures 2021		
2-1	Organizational details	P3-7
2-2	Entities included in the organization’s sustainability reporting	P1
2-3	Reporting period, frequency and contact point	P1
2-5	External assurance	P126
2-6	Activities, value chain and other business relationships	P12 ; P42
2-7	Employees	P94-105
2-9	Governance structure and composition	P9-11
2-10	Nomination and selection of the highest governance body	P9-10
2-11	Chair of the highest governance body	P10
2-12	Role of the highest governance body in overseeing the management of impacts	P10
2-13	Delegation of responsibility for managing impacts	P10
2-14	Role of the highest governance body in sustainability reporting	P10
2-15	Conflicts of interest	P21

GRI Standard	Disclosure	Page
2-16	Communication of critical concerns	P10
2-17	Collective knowledge of the highest governance body	P11
2-18	Evaluation of the performance of the highest governance body	P10
2-19	Remuneration policies	P10
2-20	Process to determine remuneration	P10
2-22	Statement on sustainable development strategy	P11
2-23	Policy commitments	P12 ; P19-21
2-24	Embedding policy commitments	P19-21
2-25	Processes to remediate negative impacts	P46 ; P61 ; P95-96
2-26	Mechanisms for seeking advice and raising concerns	P14
2-27	Compliance with laws and regulations	P20-28 ; P82 ; P95
2-28	Membership associations	P42 ; P47
2-29	Approach to stakeholder engagement	P14-16
2-30	Collective bargaining agreements	P94-95
GRI 3: Material Topics		
3-1	Process to determine material topics	P14-17
3-2	List of material topics	P14-17

GRI Standard	Disclosure	Page
3-3	Management of material topics	P14-17
GRI 201: Economic Performance		
201-1	Direct economic value generated and distributed	P5 ; P109
201-2	Financial implications and other risks and opportunities due to climate change	P72-74
201-3	Defined benefit plan obligations and other retirement plans	P95-96
GRI 202: Market Presence		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	P96
GRI 203: Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	P106-108
203-2	Significant indirect economic impacts	P106-108; P118
GRI 204: Procurement Practice		
204-1	Proportion of spending on local suppliers	P116
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	P20
205-2	Communication and training about anti-corruption policies and procedures	P20
205-3	Confirmed incidents of corruption and actions taken	P20
GRI 206: Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	P21

GRI Standard	Disclosure	Page
GRI 207: Tax		
207-1	Approach to tax	P19
207-2	Tax governance, control, and risk management	P19
207-3	Stakeholder engagement and management of concerns related to tax	P19
GRI 301: Materials		
301-1	Materials used by weight or volume	P113
301-2	Recycled input materials used	P76
301-3	Reclaimed products and their packaging materials	P76 ; P87
GRI 302: Energy		
302-1	Energy consumption within the organization	P111-112
302-2	Energy consumption outside of the organization	P111-112
302-3	Energy intensity	P112
302-4	Reduction of energy consumption	P79
302-5	Reductions in energy requirements of products and services	P33 ; P35 ; P69-71
GRI 303: Water and Effluents		
303-1	Interactions with water as a shared resource	P87
303-2	Management of water discharge related impacts	P86
303-3	Water withdrawal	P113

GRI Standard	Disclosure	Page
303-4	Water discharge	P86
303-5	Water consumption	P113
GRI 304: Biodiversity		
304-3	Habitats protected or restored	P91
GRI 305: Emissions		
305-1	Direct (Scope 1) GHG emissions	P74 ; P112
305-2	Energy indirect (Scope 2) GHG emissions	P74 ; P112
305-3	Other indirect (Scope 3) GHG emissions	P74 ; P112
305-4	GHG emissions intensity	P74 ; P112
305-5	Reduction of GHG emissions	P79-81
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	P111
GRI 306: Waste		
306-1	Waste generation and significant waste-related impacts	P83-84
306-2	Management of significant waste-related impacts	P83-84
306-3	Waste generated	P111
306-4	Waste diverted from disposal	P111
306-5	Waste directed to disposal	P111
GRI 308: Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	P58

GRI Standard	Disclosure	Page
308-2	Negative environmental impacts in the supply chain and actions taken	P60-61 ; P64-65
GRI 401: Employment		
401-1	New employee hires and employee turnover	P95 ; P114-115
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	P105
401-3	Parental leave	P105 ; P115
GRI 403: Occupational Health and Safety		
403-1	Occupational health and safety management system	P101
403-2	Hazard identification, risk assessment, and incident investigation	P102-103
403-3	Occupational health services	P103
403-4	Worker participation, consultation, and communication on occupational health and safety	P103
403-5	Worker training on occupational health and safety	P103
403-6	Promotion of worker health	P101-103
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P101-103
403-8	Workers covered by an occupational health and safety management system	P101-103
403-9	Work-related injuries	P116 ; P118
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GRI 404: Training and Education		
404-1	Average hours of training per year per employee	P115

GRI Standard	Disclosure	Page
404-2	Programs for upgrading employee skills and transition assistance programs	P97-101
404-3	Percentage of employees receiving regular performance and career development reviews	P115
GRI 405: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	P10 ; P114
GRI 406: Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	P95
GRI 408: Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	P95-96
GRI 409: Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	P95-96
GRI 414: Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	P58
414-2	Negative social impacts in the supply chain and actions taken	P60-61 ; P64-65
GRI 415: Public Policy		
415-1	Political contributions	P22
GRI 416: Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	P117

GRI Standard	Disclosure	Page
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		
417-1	Requirements for product and service information and labeling	P66
417-2	Incidents of non-compliance concerning product and service information and labeling	No relevant violations occurred during the reporting period.
417-3	Incidents of non-compliance concerning marketing communications	No relevant violations occurred during the reporting period.
GRI 418: Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P117

Independent Assurance Statement



Assurance statement No. CN-202509-CSR-01

Assurance Statement of ESG Report

TÜV NORD (Hangzhou) Co., Ltd. (hereinafter "TÜV NORD") has been commissioned by Chery Automobile Co., Ltd. (hereinafter "Chery Auto") to conduct an independent third-party assurance of Chery Auto's 2024 Environmental, Social and Governance Report (hereinafter "ESG Report").

Chery Auto is responsible for collecting, analysing, summarising and disclosing the information mentioned in the report. TÜV NORD carries out this work within the scope of the terms of reference recognised in the scope of the agreement with Chery Auto (report assurance). Chery Auto is the designated user of this statement.

This statement is based on the 2024 ESG Report prepared by Chery Auto. Chery Auto is responsible for the completeness and authenticity of the information and data in the report.

User of the Assurance Statement

This assurance statement is provided to all interested parties of Chery Auto.

Assurance Scope

- ESG key performance and related information disclosed in the report during the year 2024;
- Place of validation: Chery Auto Headquarters, No.8 Anshan Road, Economic & Technological Zone, Wuhu, Anhui Province, China;
- The management process of collecting, analysing and checking the data and information involved in the report was evaluated, and the following performance data was verified on-site:
Materiality Assessment Process; KPIs for Supplier Screening; KPIs for Supplier Assessment and/or Development; Energy Consumption (Total non-renewable energy consumption, Total renewable energy consumption); Waste Disposal (Total waste recycled/reused, Total waste disposed, Waste landfilled, Waste incinerated with energy recovery, Waste incinerated without energy recovery, Waste otherwise disposed, Waste with unknown disposal method); Water Consumption (Total water withdrawal, Total water discharge, Total net fresh water consumption); Greenhouse Gas Emissions (Total direct GHG emissions (Scope 1), Total indirect GHG emissions (Scope 2), Total indirect GHG emissions (Scope 3); KPIs for Occupational Health and Safety (Work-related fatalities for employees, Lost-time injury frequency rate (LTIFR) for employees);
- The economic data is audited by a third party, so there will be no duplicate validation.

The on-site assurance has been conducted from 2 to 4 July 2025 and from 27 to 29 September 2025.

Assurance Method

The validation process included the following activities:

- Review of the documented information provided by Chery Auto;
- Interviewing Chery Auto's managers responsible for ESG performance information collection and statistics;
- Checking relevant websites and public information published in the media, and verifying relevant data and information in the report through sampling methods;
- Assessed the report in accordance with the requirements of Appendix C2 "Code on Environmental, Social and Governance Reporting" of The Stock Exchange of Hong Kong Limited;
- The assessment was conducted with reference to the requirements of the Sustainability Reporting Guidelines (GRI Standards 2021) for ESG reports in terms of balance, comparability, accuracy, timeliness, clarity and reliability;
- The validation activities are carried out in accordance with the requirements of TÜV NORD Report Assurance Implementation Rules (SC - P - A015 Rev.00).

Assurance Standard and Level

AA1000 AS (V3): Type 2, Moderate Assurance.



Assurance statement No. CN-202509-CSR-01

Assurance Conclusion

The 2024 ESG Report prepared by Chery Auto objectively reflects the status of the company's ESG efforts and the performance achieved in the year 2024. The data in the report is reliable and objective, and TÜV NORD has found no systematic or material errors.

- **Inclusivity:** Chery Auto identifies key stakeholders, including government and regulators, shareholders and investors, suppliers, customers, employees, community members, partners and media, and actively responds to the concerns of stakeholders on major economic, social and environment-related topics;
- **Materiality:** Chery Auto reasonably assesses and prioritises the materiality issues in terms of "financial materiality" and "impact materiality" to form a matrix of materiality issues, and the content of the report is substantive;
- **Responsiveness:** The report discloses management processes and comparable key performance data around materiality issues in the form of ESG highlights, case studies, etc., including greenhouse gas emissions (including Scope 3), making the report responsive;
- **Impact:** Chery Auto's management system can monitor and measure how their actions affect the wider ecosystem, and the company has conducted a materiality topic risk and opportunity analysis as well as a value chain impact analysis to integrate sustainability into business operations and management.

Suggestions for Improvement

Through the validation and evaluation activities, we have the following recommendations for improvement in Chery Auto's practice and management of sustainable development:

- It is recommended that the requirements for report preparation be systematically established to standardise and accelerate the release time of the report, thus increasing the timeliness of the report content.

Special Statement

Excluded in this assurance statement:

- Activities outside of information disclosure;
- Statements about Chery Auto's positions, opinions, beliefs, goals, future directions and commitments.

Statement of Independence and Competence

TÜV NORD Group 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 one of the global branches of TÜV NORD Group, TÜV NORD (Hangzhou) Co.,Ltd. is independent, ensuring that there is no conflict of interest with Chery Auto's branches or stakeholders during the report assurance process. All the information in this report is provided by Chery Automobile Co., Ltd., and TÜV NORD has not been involved in the report preparation process.

TÜV NORD (Hangzhou) Co., Ltd.



The authorized person: Mr. Yeh, Jack
Date: September 30th, 2025



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

