



IN CONNECTION WITH FUTURE

Environmental, Social and
Governance Report
2023

GEELY

吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock codes: 175 (HKD counter) & 80175 (RMB counter)

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About This Report

INTRODUCTION

This Report is the fourth standalone Environmental, Social and Governance (hereinafter referred to as “ESG”) Report published by Geely Automobile Holdings Limited (hereinafter referred to as the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”, “Geely Auto” or “we”) to present the Group’s strategies and practices in the aspects ESG management, climate neutrality, nature positive, governance and ethics, consumer interest, sustainable value chain, employee rights, community and philanthropy, thereby enabling stakeholders to have clear understanding of the Group’s ESG performance. The Group’s ESG practices and performance from 2015 to 2019 were set out in the Social Responsibility Report of Zhejiang Geely Holding Group Company Ltd., the parent of the Company, and its subsidiaries (hereinafter collectively referred to as “Geely Holding Group”).

REPORT SCOPE

Time Scope: This Report covers the period from 1 January 2023 to 31 December 2023 (hereinafter referred to as the “Reporting Period”, the “current year” or “2023”). To enhance the integrity of this Report, some of its contents cover period before or after the Reporting Period.

Business Scope: This Report covers the Group and its major joint ventures, which involves these automobile brands: Geely brand, ZEEKR brand and Lynk & Co, a joint venture brand. This Report also includes the information on Geely Holding Group and Livan, a brand of the Group’s joint venture brand during the Reporting Period.

REPORTING GUIDELINES

This Report is prepared in accordance with the Appendix C2 “Environmental, Social and Governance Reporting Guide” issued by The Stock Exchange of Hong Kong Limited (“HKEX”) effective on 31 December 2023. Meanwhile, this Report’s disclosures are also made with reference to: the core options of the GRI Standards issued by the Global Reporting Initiative (“GRI”), the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (“IFRS S1”) and the IFRS S2 Climate-related Disclosures (“IFRS S2”) issued by the International Sustainability Standards Board (“ISSB”), Sustainability Accounting Standards Board (“SASB”) Standards, the Hong Kong Stock Exchange Consultation Paper on Enhancement of Climate-related Disclosures under the Environmental, Social and Governance Framework and the United Nations Guiding Principles Reporting Framework..

DATA SOURCE AND DESCRIPTION

The information and data used in this Report are collected from the official documents and statistical reports of the Group, which have been reviewed by relevant departments. Unless otherwise specified, the currency used in this Report is RMB.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements to the Group, usually containing “will”, “expect” and “anticipate” and other similar words. By its nature, the risk and uncertainty of forward-looking statements does not guarantee future performance because it involves events and circumstances to occur in the future, and many factors can cause actual results to differ materially from the forward-looking statements.

RELIABILITY ASSURANCE AND APPROVAL

To ensure the reliability and accuracy of this Report, HKQAA has independently verified major environmental indicators in accordance with the International Standard on Assurance Engagement 3000 (“ISAE 3000”) - “Assurance Engagement Other Than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standard Board (IAASB).

The Group has not found any false record, misleading statement or material omission in this Report. This Report has been reviewed by the Sustainability Committee and approved by the Board of Directors on 26 April 2024.

ACCESS AND RESPONSE TO THIS REPORT

This Report is available in Chinese and English for readers’ reference. In case of any inconsistency, the Chinese version shall prevail. This Report is published in electronic version only to support environmental protection. This Report can be found in the headline category of “Financial Statements/ESG Information” in the listed company information, on HKEXnews website or the official website of the Company (<http://www.geelyauto.com.hk>). We value greatly on stakeholders’ opinions, and welcome your feedback which can help us to further improve, via email to general@geelyauto.com.hk with subject of “ESG Report 2023”.

Message from Chairman of the Sustainability Committee



An Cong Hui
Chairman of the Sustainability Committee
26 April 2024

In 2023, many transformative changes and development shook the automotive industry. Against the backdrop of China's fierce market competition and the accelerating development of new energy vehicles (NEVs) and intelligent vehicles, the Group's strategic planning has achieved remarkable results. Not only have we achieved new record high for total sales volume, but we have also achieved record sales and market share for NEVs, and success in regards to both new energy transition and intelligentization.

In terms of sustainable development, the Group has made incredible strides, and has been recognized by many well-known ESG rating agencies in China and abroad. In 2023, the Group officially announced the ESG strategy which outlines the blueprint of the Group's sustainable development in six major directions: "Climate Neutrality", "Nature Positive", "All-round Safety", "Digitalization & Innovation", "Co-Prosperity", and "Governance and Ethics". Based on this strategy, we have developed and continue to implement key action plans.

The Group is committed to the goal of reducing 25% of the lifecycle carbon emissions per vehicle by 2025 (with 2020 as baseline). As of the end of 2023, we have achieved a cumulative carbon reduction of 12%. For the carbon reduction in vehicle use, the sales volume of NEVs of the Group increased by 48% year-on-year to 487k units, accounting for 29% of the total sales volume, becoming the main driving force for carbon reduction. For the carbon reduction in manufacturing, we continue to implement energy-saving measures and promote the use of renewable energy, which reduce both carbon emissions and costs. For the carbon reduction in supply chain, the application of circular materials and lightweight materials has also effectively contributed to carbon reduction. While promoting carbon reduction, we pay close attention to the

social impact of the low-carbon transformation. We take into account the interests of our employees, suppliers, users, investors and other key stakeholders to achieve a pragmatic, balanced, and just low-carbon transformation.

The Group has also carried out key actions for "Nature Positive" based on our ESG plan. During the Reporting Period, we have initiated a natural capital assessment to more effectively identify nature-related risks and opportunities. Meanwhile, we are committed to creating a circular economy and have established a complete circular ecosystem, including circular vehicles, circular materials, circular businesses, battery recycling, and circular parts, to reduce the use of natural resources.

In terms of social aspect, the Group adheres to the concept of user safety first, and leverages intelligent technologies to create all-round safety. Under the increasingly competitive environment of the automotive industry, we continue to strive in our pursuit of product safety and quality to ensure that when in use, our products can effectively protect the lives of users. In 2023, we won numerous honors and awards for product quality. Meanwhile, the Group has continuously made innovative breakthroughs in intelligent driving, battery safety, cybersecurity, ensuring comprehensive safety protection for automobiles in the transition towards new energy and intelligence.

Our employees and the supply chain are indispensable for supporting the Group's globalization and sustainable development. In 2023, the Group advanced improvements in human rights management based on the principles of legal compliance and protecting the interests of stakeholders. We have enhanced our communication mechanisms for both our employees and suppliers, and have assessed the conformance risk of the Group and its supply chains in the Code of Conduct and Geely Supplier Code of Conduct, and identified improvement areas. Concurrently, we actively refer to international standards for responsible supply chain and formulate future

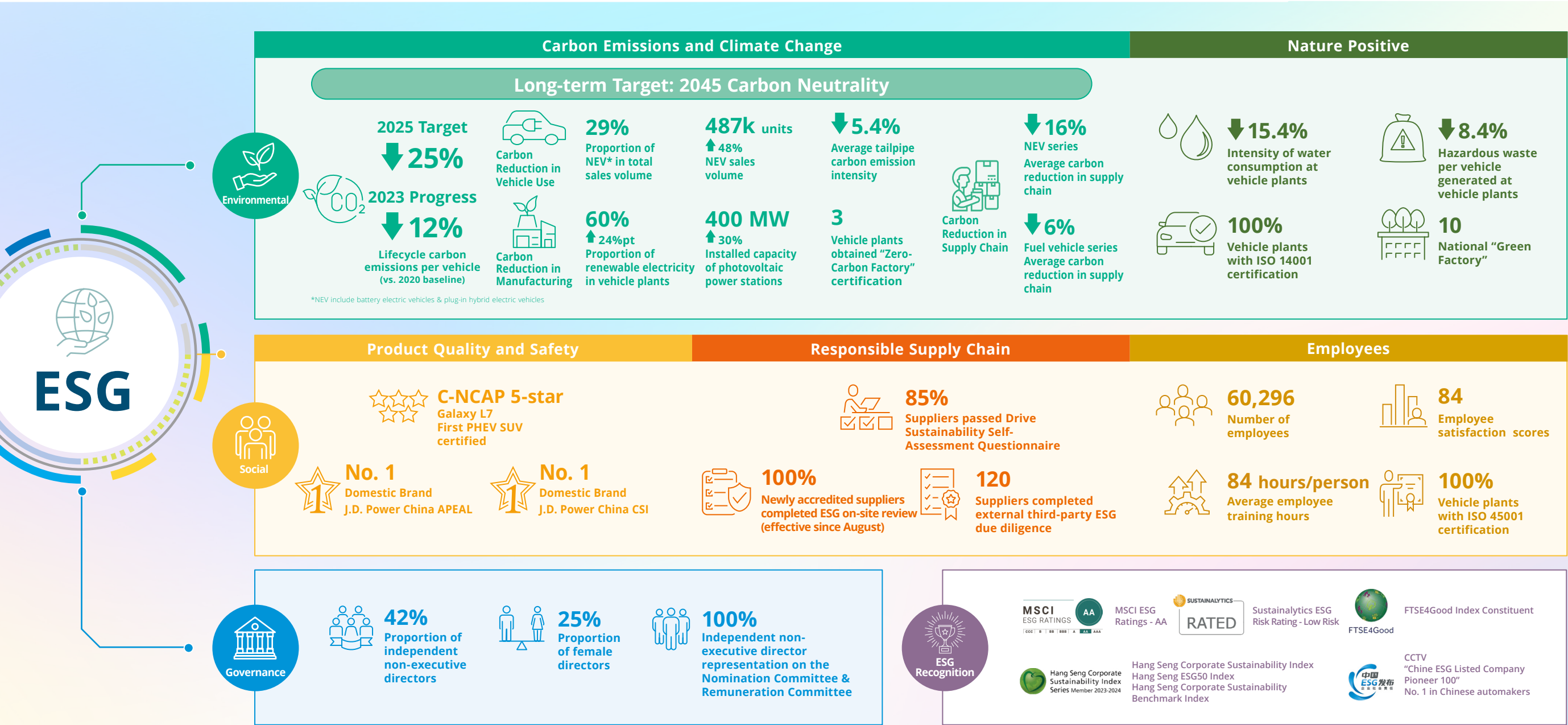
plans for ESG management in supply chain, focusing on improving management in traceability, due diligence, conflict minerals, carbon footprint and other areas.

The Group is also committed to continuously improving corporate governance. In terms of board independence, the proportion of independent non-executive directors has increased to 42% in 2023. The Nomination Committee and Remuneration Committee comprise solely independent non-executive directors in 2023. The proportion of female directors has reached 25% in 2023, and we have set a goal of having 30% or more female directors by 2025 to further promote board diversity.

The Group also continues to enhance the comprehensiveness, accuracy, and transparency of its ESG information disclosures. For the first time, we have engaged an independent third-party professional organization to conduct an independent verification on the main environmental data of this Report in accordance with the ISAE 3000 issued by the International Auditing and Assurance Standards Board. Additionally, we support the sustainable disclosure standards IFRS S1 and IFRS S2 issued by the International Sustainability Standards Board, and have adopted in advance certain parts of its requirements in this Report to provide more comprehensive sustainable development-related information. Meanwhile, we take this as an opportunity to improve management mechanisms for sustainability-related risks and opportunities in various areas.

On the foundation built in 2023, the Group will continue to devote itself to the research and development of new energy intelligent vehicles, and further integrate sustainable development into corporate development. This will not only strengthen the Group's risk management, but also move us towards a higher standard of sustainability. Looking forward, we will work closely with key stakeholders to play a greater role in environmental protection and social development, contributing to the achievement of long-term common prosperity.

| 1 ESG Performance Highlights



2

ESG Management



2.1 Sustainability Vision

With “A Sustainable Future, A Better World” as the corporate vision, the Group dedicates to incorporating the sustainability into the corporate development, to create the long-term value and resilience of the enterprise, and to drive the sustainability of responsible commercial practice of both the industrial chain and the automobile industry, so as to contribute to the stakeholders and the global sustainability.

The Group actively integrates the 17 Sustainable Development Goals from the United Nations “Transforming our world: The 2030 Agenda for Sustainable Development” in the corporate development, and creates long-term value for stakeholders and responds to their expectations and concerns while maintaining the steady development of the enterprise, so as to practise the vision of “A Sustainable Future, A Better World”.

Geely Holding Group, the parent of the Group, is a participant of the “United Nations Global Compact”. As a member of Geely Holding Group, the Group also fully supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption.

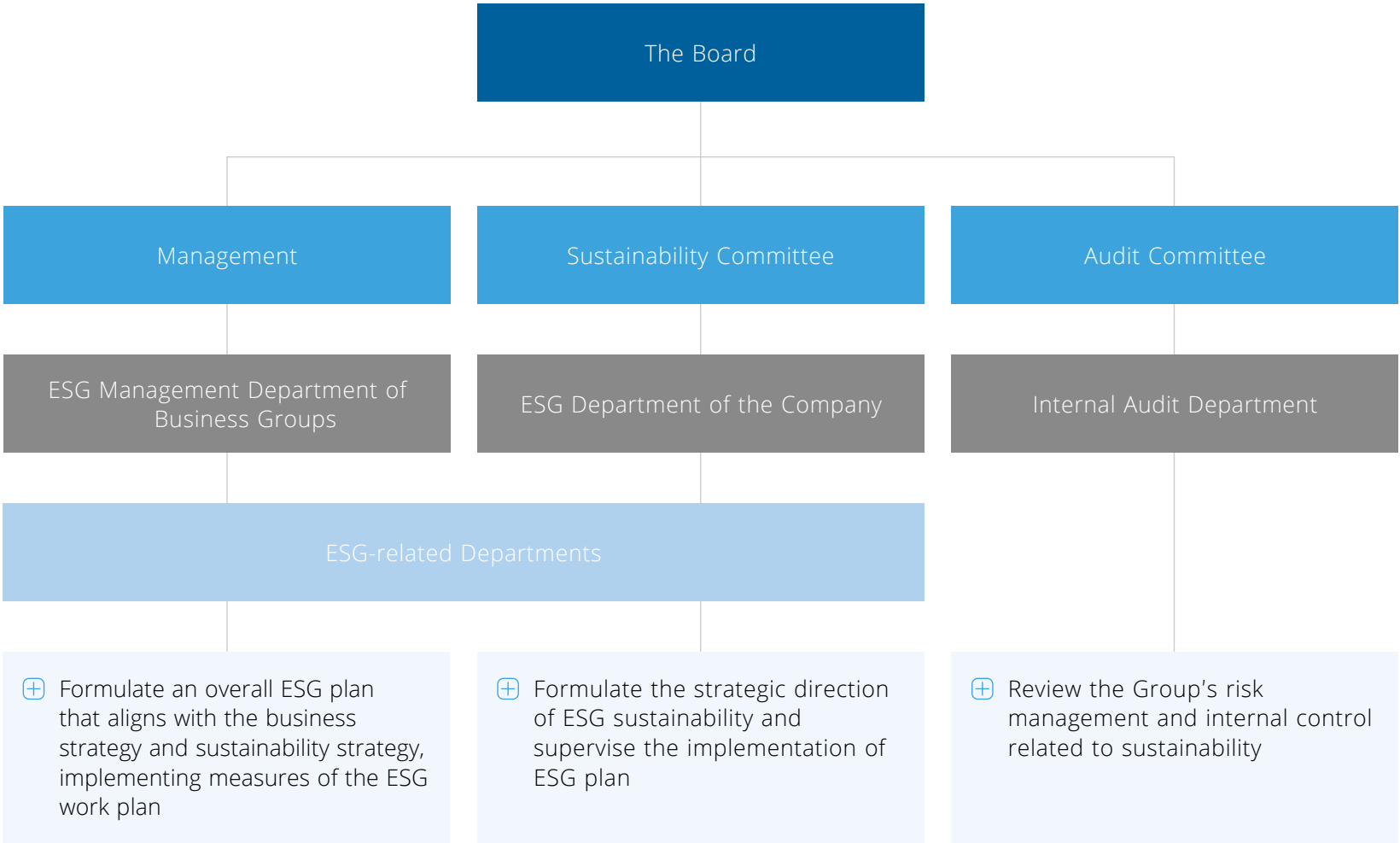
In order to effectively implement the sustainability vision, the Group has established a robust ESG framework covering governance, strategy, risk and opportunity management, targets and metrics for the management mechanism of risks and opportunities related to sustainability.



2.2 ESG Governance

2.2.1 Governance Structure

The Group's ESG governance structure:



The Board of Directors of the Company (the “Board”) is the Group’s highest supervisory and decision-making body for addressing risks and opportunities related to the sustainability, and is responsible for:

- ⊕ Oversee and approve material ESG matters and the corresponding plans addressing these;
- ⊕ Discuss the recommendations made by the Sustainability Committee and make decisions.

In December 2020, the Board approved the establishment of the sustainability committee of the Company (the “Sustainability Committee”) to address the risks and opportunities related to the sustainability more effectively, and it is mainly responsible for:

- ⊕ Review sustainability’s strategy, policies, risks, opportunities and material issues, and make recommendations to the Board;
- ⊕ Monitor the implementation of sustainability strategy and coordinate required resources;
- ⊕ Evaluate sustainability’s progress and performance, and effectiveness of improvement measures.

The Sustainability Committee currently consists of one chairman (served by an executive director) and two members (one executive director cum CEO and one independent non-executive director), ensuring the alignment between the sustainable development plans of the Group and its business strategy while obtaining an objective perspective. The chairman and members of the Sustainability Committee have extensive experience in automobile industry, new energy vehicles, corporate culture, compliance in listed companies, capital markets, and provide professional and strategic guiding direction for the Group’s sustainability.

For more information on the composition, meeting procedures, roles, responsibilities and functions of the Sustainability Committee, please refer to the Terms of Reference of the Sustainability Committee on the official website of the Company.

The ESG Department of the Company is a permanent body for sustainability and reports directly to the Sustainability Committee to assist in managing the risks and opportunities related to the sustainability more effectively. The ESG Department of the Company is mainly responsible for:

- ⊕ Monitor trends, policies and industry developments related to the sustainability, and identify related risks and opportunities for feedback to all relevant parties in the ESG governance structure;
- ⊕ Communicate with internal and external stakeholders to understand their expectations and demands for the Group’s the sustainability, so as to identify related risks and opportunities;
- ⊕ Assist the Sustainability Committee in carrying out its responsibilities, including supporting, reviewing and supervising the formulation and implementation of ESG plans and related risk management of ESG related departments, and assessing whether ESG related departments have sufficient skills and resources to cope with related risks and opportunities;
- ⊕ Responsible for the preparation of ESG reports and other major ESG public information, and continuously follow up on the requirements of regulators, investors and rating agencies;
- ⊕ Review ESG plan in collaboration with the ESG management department of each business group, provide recommendations to ensure that ESG plan can effectively address the risks and opportunities associated with sustainability and can adequately consider the views and expectations of internal and external stakeholders.

At the operational level, the Group’s management formulates an overall ESG plan in line with the Group’s business strategy and sustainability strategy based on the overall strategic direction of the Group formulated by the Board and the ESG strategic direction proposed by the Sustainability Committee and their opinions on risks and opportunities related to sustainability. The Group has established ESG Management Departments as its permanent body in each of its business groups, and are mainly responsible for:

- ⊕ Assist the management in formulating the Group’s overall ESG plan, targets and metrics to meet the risks and opportunities related to sustainability;
- ⊕ Continuously assess the development trends related to business development and sustainability to identify related risks and opportunities;
- ⊕ Support relevant ESG departments to formulate specific ESG work plans and annual targets in line with the overall ESG plan, and provide ESG related training and professional guidance;
- ⊕ Coordinate the resources and responsibilities across departments in the overall ESG plan;
- ⊕ Regularly review the implementation progress and effect of ESG work plans of relevant ESG departments, and assist in formulating their improvement plans;
- ⊕ Assist the management in implementing ESG-related assessment to ensure that the ESG work plans effectively address risks and opportunities related to sustainability.

The ESG-related departments refer to the specific business departments responsible for ESG matters. They are mainly responsible for:

- ⊕ Formulate and implement the ESG work plans to achieve goals and address risks and opportunities related to sustainability in time;
- ⊕ Carry out self-check to ensure ESG targets are accomplished effectively;
- ⊕ Develop ESG improvement plans and integrate into next year’s work plan.

The ESG Department of the Company, the ESG Management Departments of our business groups and various ESG-related departments have established a regular communication mechanism to share and discuss the progress of various ESG efforts and to respond to risks and opportunities related to sustainability in a timely manner. On major ESG issues, such as climate change and human rights management, the above departments will also set up dedicated working groups to accelerate the implementation of relevant measures on major ESG issues.

The Group plan to further optimize its ESG governance structure, formulate the major responsible departments for each ESG strategy and sort out the corresponding assessment indicators for the responsible departments. Meanwhile, the “Climate Neutrality” strategy has been incorporated into the annual assessment indicators of the Group’s top management in charge of operations (also one of the executive directors of the Company) and the head of the Strategic Planning Department, taking the lead in incorporating ESG into the management’s and annual departmental assessment items, and linking it to remuneration incentives.

The Audit Committee set up by the Board of the Company is responsible for reviewing and advising the Board on the Group’s risk management and internal controls. Risks related to sustainability are included in the risk map used to assess the overall risk management. The Internal Audit Department under the Audit Committee also incorporates sustainability-related risk management and internal controls into its internal audit work to evaluate their effectiveness.

The Group has also engaged professional ESG consultants to provide sustainability-related professional advice and assist in the commencement of the related work.

2.2.2 Governance Meeting Mechanism

The Sustainability Committee meets at least once a year. The meetings are also regularly attended by key management personnel of the Group and parties involved in the ESG governance structure, to jointly discuss the Group's ESG development plans and specific implementation measures.

During the Reporting Period, the Sustainability Committee held a total of 5 meetings, the major discussions of which are set out below:

- ⊕ Analysis of the Group's current ESG status and industry gaps;
- ⊕ Analysis of the results of ESG surveys conducted by the Board, investors and other stakeholders;
- ⊕ Formulation of ESG strategies and key actions;
- ⊕ Progress, action measures and improvement programs of annual carbon reduction target;
- ⊕ Human rights management within the company and along the supply chain (including interpretation of key external ratings and peer gap analysis) and enhancement programs;
- ⊕ Programs to enhance the independence and diversity of the Board;
- ⊕ Revision of Code of Conduct and Anti-Corruption Policy;
- ⊕ ESG resourcing and skills training for relevant personnel;
- ⊕ Engagement of ESG external consultants and independent ESG reporting assurance agency;
- ⊕ ESG external communications strategy.

The Sustainability Committee held 1 meeting in April 2024 the to further discuss the Group's work on:

- ⊕ ESG performance analysis and key enhancements for 2023;
- ⊕ Improvement plans for key enhancements (including: climate change and carbon target management, human rights risk management, and responsible supply chain management) across relevant departments;
- ⊕ Preparations required in relation to the latest sustainability-related disclosure requirements and specific improvement requirements for ESG risk and opportunity management, including: the mandatory disclosure requirements for climate-related information on the HKEX, which will come into effect on 1 January 2025, as well as the IFRS S1 and IFRS S2 issued by the ISSB;
- ⊕ External publicity enhancement program on ESG.

Based on the above discussions, the Sustainability Committee made recommendations to the Board on significant matters for further approval. In addition, to ensure that the Group's core strategy is closely aligned with the ESG strategy, the Board also participated in the ESG work as described below:

- ⊕ Received regular reports on ESG work to keep abreast of the progress and achievements of the Group's ESG work, the scope for future enhancement and plans (including climate change, human rights, responsible supply chain, independence and diversity of the Board, and remuneration mechanism), as well as the expectations of stakeholders such as regulators, investors, on the sustainability of the Group, in order to identify relevant risks and opportunities;
- ⊕ Participated in the ESG research for the year, which includes: identification of ESG material issues, identification of human rights risks, expectations and recommendations for ESG development;
- ⊕ Made decisions on key ESG issues such as ESG strategy, carbon neutral progress and targets, and corporate governance enhancement.

2.3 ESG Strategy

The Group published an ESG strategy approved by the Board in March 2023 to realize the vision of “A Sustainable Future, A Better World”, meanwhile, the Company developed key actions to provide clearer guidance, which internally provided clearer guidance on how to plan the work, and externally provided our stakeholders with a clearer picture of the Group’s future plans and how to measure our ESG performance.

The ESG strategy development process takes into account factors including but not limited to the followings:

- ⊕ The Group’s vision and overall strategy
- ⊕ The United Nations Sustainable Development Goals and other major ESG standards
- ⊕ Analysis of ESG materiality issues and other comments from stakeholders
- ⊕ ESG risk and opportunity assessment and gap analysis of ESG performance
- ⊕ Current ESG and policy trends and benchmarking of leading companies
- ⊕ Comments from internal ESG-related departments and external ESG experts

Six main directions of the ESG strategy:



“Carbon Neutrality by 2045” as our goal

- ⊕ Set up carbon reduction targets that Meet the Paris Agreement 1.5°C
- ⊕ Carbon Neutrality by 2045



“Nature Positive” as our guide

- ⊕ Circular Economy
- ⊕ Natural Resources Conservation
- ⊕ Biodiversity



“A Sustainable Future, A Better World” as our vision

- ⊕ Employees
- ⊕ Consumers
- ⊕ Business Partners
- ⊕ Community



**Climate
Neutrality**



Nature Positive



Co-Prosperity



**All-round
Safety**



**Digitalization &
Innovation**



**Governance
and Ethics**

“Zero Casualty, Zero Health Hazard, Zero Property Loss, Zero Privacy Leakage” as our aim

- ⊕ All Road Users
- ⊕ Safety for New Energy & Intelligent mobility



“Letting More People Benefit from the Growing Intelligent Digital Ecosystem” as our direction

- ⊕ Data Responsibility
- ⊕ Data Value Innovation



“Best Practices of Global Corporate Governance” as our benchmark

- ⊕ Corporate Governance
- ⊕ Business Ethics



After the publication of the ESG strategy, the Group continuously evaluated the effectiveness of the ESG strategy in addressing the risks and opportunities related to sustainability and made adjustments as appropriate to ensure that the ESG strategy is more in line with the Group's overall strategy and more effective in creating long-term value for various stakeholders.

In assessing sustainability risks and opportunities, the Group made reference to, but not limited to, the following factors, categorized by time horizon:

- ⊕ ESG-related guidelines, policies and regulations in China and other major market countries (including the European Union)
- ⊕ Latest ESG developments and trends in the automobile industry
- ⊕ Cycles of industry development and technological changes
- ⊕ The Group's own cash flow, capital planning and business cycles

Based on the above, the following time horizons for significant sustainability risks and opportunities are defined:

Short-term: Within 5 years

Medium term: 5-15 years

Long-term: Over 15 years

S Short-term **M** Medium-term **L** Long-term

The following table shows the main risks and opportunities related to sustainable development identified by the Group with material financial impact. For further related risks and opportunities, please refer to other sections in this Report.

ESG Issues	Material Risks and Opportunities Related to Sustainable Development	Time Horizon	Major Value Chain Affected	Expected Impact on Business Model and Value Chain	ESG Strategic Direction and Measures to Address Risks and Opportunities
Carbon emission and climate change	Please refer to "3.4 Climate-related Disclosure" for details	Please refer to "3.4 Climate-related Disclosure" for details	Self-operation and supply chain	Please refer to "3.4 Climate-related Disclosure" in this Report for details	"Climate Neutrality" Please refer to "3.4 Climate-related Disclosure" for details
Resource utilization and recycling	Shortage of natural resources	M L	Self-operation and supply chain	Risks: ⊕ Scarcity of natural resources, which will lead to an increase in the cost of using related resources ⊕ Development of alternative materials, which will require initial R&D costs Opportunities: ⊕ Optimization of product design and improvement of manufacturing processes, which will reduce the use of materials and resources, and save production costs of products ⊕ Establishment of a circular economy system, and replacement of new materials with resource recycling and reuse, which will reduce procurement costs	"Nature Positive" Please refer to "4.3 Resources Use and Conservation" and "4.4 Circular Economy" for details
Product quality and safety	Automotive product safety	S M	Self-operation	Risks: ⊕ Safety issues of products, which will lead to recalls, user claims or lawsuits, as well as quality costs or compensation costs of related liabilities ⊕ Safety issues of products, which will affect consumers' purchasing intention and reduce revenue ⊕ Maintenance of leading performance in product safety, which will require continuous investment in technology related to safety (including intelligence), as well as initial R&D costs Opportunities: ⊕ Leading product safety, which will reduce quality costs and compensation expenses of product after-sales service ⊕ Leading product safety, which will attract consumers and increase revenue	"All-round Safety" Please refer to "6.1 Product Quality and Safety" for details
Responsible supply chain	Supply chain ESG risk management	S M	Supply chain	Risks: ⊕ Inability of suppliers to comply with the Group's ESG requirements, which will affect the ESG compliance of the Group's products and related local and export sales, and will lead to a decrease in revenue ⊕ Significant ESG issues of suppliers, which will affect their business continuity and ability to supply to the Group as well as the Group's production capacity, and will lead to related remedial costs or reduce revenue Opportunities: ⊕ Establishment of sound ESG management in the supply chain, which will help strengthen the long-term stability of its business, avoid economic losses caused by ESG risks, enable the Group to maintain stable production capacity, and avoid the impact of remedial costs and revenue	"Co-Prosperity" Please refer to "7.1 Sustainable Supply Chain" for details

2.4 ESG Risk and Opportunity Management

The Group has a well-established risk management framework and related risk management processes, which also apply to sustainability-related risks and opportunities. Please refer to "Risk Management and Internal Control" in the Corporate Governance Report and "5.2 Risk Management and Internal Control" in this Report for details. The Group disclosed the risks related to climate change as principal risks and uncertainties in the Annual Report 2023.

As set out in "2.2 ESG Governance" in this Report, for the management mechanism of sustainability-related risks and opportunities, the Board, the Sustainability Committee, the Audit Committee, the management, the ESG department of the Company, the ESG management department and the various ESG related departments bear different levels of responsibilities.

Based on the risk management framework of the Group, ESG risk and opportunity management consists of the following procedures:

- ⊕ Identification and assessment: Identify significant ESG issues including assess its related risks and opportunities based on internal and external information, including but not limited to ESG related regulations and policies in the places where it operates, industry development and benchmarking, latest trends in ESG and the market, stakeholder engagement (please refer to "2.4.1 Stakeholder Engagement" for details) and ESG gap analysis;
- ⊕ Order of priority: Conduct research on ESG material issues to order the identified ESG material issues, so as to effectively allocate resources to manage and control material risks and opportunities related to ESG issues (please refer to "2.4.2 ESG Materiality" for details);
- ⊕ Risk management and continuous improvement: Based on the above identified material risks and opportunities, the Group will formulate and implement relevant risk management measures, including but not limited to:
 - Formulate ESG management policies and implementation rules to ensure that relevant business units of the Group shall implement relevant measures in compliance with relevant regulations, the Group's ESG strategy, industry standards and stakeholders' expectations, etc.;
 - Adopt PDCA model (Plan-Do-Check-Act) to manage the specific work of ESG. Each relevant ESG department plans annual ESG work tasks based on the ESG strategy, management policies and implementation rules, and executes relevant work according to the plan. Besides, it conducts self-checks and accepts regular inspections by the ESG management department, and formulates improvement plans to address changes and major gaps in a timely manner, the ESG management department and the various ESG

related departments will also continue to understand relevant development dynamics of industry sustainability, to identify relevant opportunities and formulate measures;





- Escalation mechanism: If relevant measures require major business decisions and resource allocation, they will be escalated to the Sustainability Committee for discussion and will be arranged for decision by appropriate governance agencies;
 - ESG training: The Group regularly organizes different types of ESG-related training and activities to enhance the awareness, professional knowledge and skills of all employees on ESG. Please refer to "2.4.3 ESG Training" for details.
- ⊕ Supervision and reporting: The Sustainability Committee and its ESG departments, and the Audit Committee and its Internal Audit Department are all responsible for continuous supervision of ESG risk management. Besides, the Group discloses its performance and specific effectiveness of measures in addressing sustainability in annual report, annual ESG report and publicly available ESG policies (such as the Code of Conduct, the Geely Supplier Code of Conduct and Anti-Corruption Policy), so as to ensure sustainability transparency and accountability of the Group, and to enable all stakeholders to have clear access to relevant information.

2.4.1 Stakeholder Communication

The Group understands that sustainable development needs the support of all stakeholders. We highly recognize the importance of stakeholder engagement and have formed a regular communication mechanism. During the Reporting Period, we made the following improvements in communication with stakeholders:

- ⊕ Enhanced the identification of salient human rights issues, gained understanding of the perceptions of suppliers, employees (including people who are vulnerable by human rights risks or vulnerable groups: pregnant women, ethnic minorities/indigenous people, foreigners, migrant workers) of potential salient human rights issues, and identified human rights-related risks, impacts, and viewed the effectiveness of grievance mechanisms;
- ⊕ Actively responded to investors' ESG inquiries, and established ESG communication channels with investors through online and offline interviews and other forms to understand their views, goals and action suggestions on important ESG issues of the Group;
- ⊕ Strengthened surveys and communication with internal and external stakeholders, and improved the awareness and participation of management and employees on ESG.

Stakeholder Communication

Stakeholders	Concerned Issues	Communication and Feedback Channels	Communication Frequency
 Investor	<ul style="list-style-type: none">Carbon emissions and climate changeProduct quality and safetyCorporate governance and risk managementCompliance and integrityResponsible supply chainPollution and waste management	Instant messaging and telephone communication	Weekly
		Investor meetings (online/offline)	Monthly
		Conferences for result announcement	Semi-annually
		General meetings	Annually and irregularly
		Roadshows and reverse roadshows	Semi-annually and irregularly
		Surveys	Annually
		Employee training (including online training platform)	Daily
 Employees	<ul style="list-style-type: none">Occupational health and safetyCompliance and integrityProduct quality and safetyEmployee rights and interestsDiversity and equityEmployee training and development	"Echo Community" online platform	Daily
		General manager reception day	Annually
		Employee engagement conferences	Semi-annually
		Employee forums	Quarterly
		Mailboxes of the Chairman, Labor Union's Chairman, and Secretary of the Commission for Discipline Inspection	Weekly
		Surveys	Annually
		On-site visits and surveys	Monthly
 Dealers	<ul style="list-style-type: none">Product quality and safetyCustomer service and satisfactionCompliance and integrity	Dealer trainings	Monthly
		Surveys	Annually
		Supplier evaluation	Annually
 Suppliers	<ul style="list-style-type: none">Responsible supply chainProduct quality and safetyCarbon emissions and climate changeCompliance and integrityResource use and recyclingPollution and waste management	Communication on supply quality	Monthly
		Supplier trainings	Monthly
		Surveys	Annually

Stakeholders	Concerned Issues	Communication and Feedback Channels	Communication Frequency
 Customers	<ul style="list-style-type: none">Product quality and safetyCustomer service and satisfactionCompliance and integrityCustomer privacyInformation securitySustainable mobility	Social media (WeChat official account, video account, Weibo account, etc.)	Daily
		Online and offline promotions	Monthly
		Customer satisfaction surveys	Annually
		Customer complaint and handling	Daily
		Drivers' club	Monthly
		Surveys	Annually
 Government and Regulatory Agencies	<ul style="list-style-type: none">Compliance and integrityCarbon emissions and climate changePollution and waste managementEmployee rights and interestsCorporate governance and risk management	Communication with and reporting to government	Monthly
		Compliance information disclosure	Monthly
 Communities	<ul style="list-style-type: none">Social welfare and philanthropyBiodiversity	Philanthropy projects	Monthly
		Community communication	Monthly
		Surveys	Annually

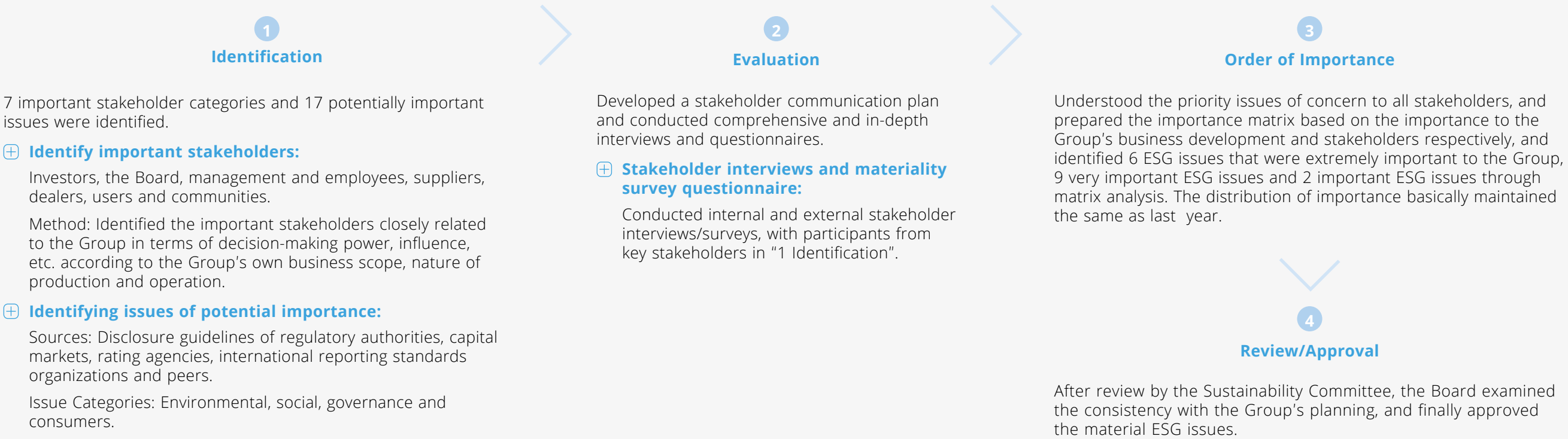
The Group will consider the changes of the above stakeholders' demands in the ESG management, timely adjust the stakeholder engagement strategy, strengthen the stakeholders' understanding on our strategy and its implementation, and provide smooth feedback channels for stakeholders to put forward their views and expectations, thus helping the Group to continuously enhance and improve the ESG management mechanism.

2.4.2 ESG Materiality

Through identifying ESG material issues, we integrated stakeholders and their concerns into the ESG strategy planning and our operation and decision-making process, and combined ESG with daily operations to drive virtuous circular development.


During the Reporting Period, in order to better understand the demands and expectations of stakeholders, the Group conducted identification of material issues. We mainly focused on the material issues of the automobile industry by referring to the materiality map of SASB and disclosure guidelines by relevant regulatory authorities, as well as sustainability issues concerned by capital markets, rating agencies, international reporting standards organizations and peers. During the Reporting Period, we further improved our identification of material ESG issues, on the basis of the standardized survey, we set differentiated questions to understand the evaluation of the Group's ESG efforts by specific stakeholder groups to help us to identify room for improvement and focus of ESG efforts.

During the Reporting Period, the Group assessed and analyzed material issues through the following processes:



The Group's 2023 ESG Materiality Matrix



Materiality	Issues	Issue Category	Strategic Category	Corresponding Chapter	Sustainable Development Goals
Extremely important	Carbon emissions and climate change	Environmental	Climate neutrality	3. Climate Neutrality	    
	Corporate governance and risk management	Governance	Governance and ethics	5. Governance and Ethics	
	Product quality and safety	Consumer	All-round safety	6. Consumer Interest	 
	Responsible supply chain	Social	Co-Prosperity	7. Sustainable Value Chain	   
	Compliance and integrity	Governance	Governance and ethics	5. Governance and Ethics	
	Resource use and recycling	Environmental	Nature positive	4. Nature Positive	  
Very important	Pollution and waste management	Environmental	Nature positive	4. Nature Positive	  
	Occupational health and safety	Social	Co-Prosperity	8. Employee Rights	 
	Customer service and satisfaction	Consumer	Co-Prosperity	6. Consumer Interest	  
	Information security	Governance	Digitalization & innovation	5. Governance and Ethics	 
	Sustainable mobility	Consumer	All-round safety Co-Prosperity	6. Consumer Interest	 
	User privacy	Consumer	Digitalization & innovation	5. Governance and Ethics	 
	Employee rights and interests	Social	Co-Prosperity	8. Employee Rights	 
	Employee training and development	Social	Co-Prosperity	8. Employee Rights	
	Diversity and equity	Social	Co-Prosperity	8. Employee Rights	  
Important	Biodiversity	Environmental	Nature positive	4. Nature Positive	 
	Social welfare and charity	Social	Co-Prosperity	9. Community Responsibility	        

2.4.3 ESG Training

During the Reporting Period, the Group actively participated in the comprehensive ESG training programs for executives, key positions, and regular employees organised by Geely Holding Group to ensure their skills and competencies in handling ESG matters at various levels:

- ⊕ In February 2023, organised 11 key business units to participate in the first ESG Expert Special Training Camp;
- ⊕ In June 2023, we organized the "ESG Cognitive Basics" course and the "ESG Basics" exams for all employees, with 44,425 people trained and an average completion rate of 80.58% for the training and exams;
- ⊕ In November 2023, a total of 12 participants from 6 key departments were organized to participate in the "Study Tour to Hong Kong for Learning and Exchanging ESG Experiences" to have in-depth discussions with ESG rating agencies and outstanding ESG enterprises in Hong Kong;
- ⊕ In December 2023 , training participated in the 45th "Insights", a team of external experts shared insights to senior management on global sustainable development trends and the latest developments in ESG disclosure and regulations in the automotive industry.

2.5 ESG Metrics and Targets

For details of the Group's main targets and metrics related to sustainability, please refer to "ESG Performance Highlights" of this Report, "Appendix 2 ESG Key Performance Indicators", "Appendix 3 SASB Automobile Sustainability Accounting Standards - Content Index", etc.

2.5.1 ESG Recognition

As of 20 April 2024, the Group's performance on the following ESG ratings or indices:

MSCI ESG Ratings	AA ¹	Hang Seng Corporate Sustainability Index ⁵ , Hang Seng ESG50 Index, Hang Seng Corporate Sustainability Benchmark Index	Constituent
Sustainalytics ESG Risk Ratings	No. 6 in the automotive ² subsector (Low Risk)		
S&P Global Corporate Sustainability Assessment	No. 1 among Chinese automobile enterprises (53 points) ³	FTSE4Good Index Series	Constituent
Transition Pathway Initiative (TPI) Management Quality	Level 3 ⁴	Hong Kong Business Sustainability Index	Top 10 and Pioneer ratings

¹ The ratings are graded on a scale from best AAA to worst CCC. AA is the second best rating. As of 20 April 2024, the 50 automotive companies in the MSCI ACWI Index were rated AAA for 8% and AA for 14%.

² The Group scores 17.7 (the lower the score the better the performance) and ranks 6th out of 79 companies worldwide in the automotive subsector.

³ The rating is out of 100 points.

⁴ The rating scale is from the best level 4 to the worst level 0.

⁵ The index consists of the 30 best performing Hong Kong listed companies in terms of sustainability performance.

ESG Awards:

- Ranked 8th on the China Central Television "China ESG Listed Company Pioneer 100" list, with a five-star rating and ranked No. 1 among Chinese automobile enterprises
- Special Mention in ESG Award (H-share Companies and Other Mainland Enterprises Category) of the HKICPAs' "2023 Best Corporate Governance and ESG Awards"
- The "Chinese Listed Companies' Dual Carbon Leadership Performance Industry List" of the Caijing Forum of Carbon Neutrality, ranked first in the "Automotive and Power Battery Dual Carbon Leadership Ranking", with "Excellent" rating
- "Economic Digest" ESG Excellence Corporate Award 2023

2.6 Sustainable Finance

In May 2022, the Group published its "Sustainable Finance Framework" (the "Framework") and obtained a second party opinion from Sustainalytics, an international authoritative firm on ESG ratings and research. The Framework covers Geely Auto's future issuance of green, social and sustainability bonds, loans, among other financing instruments. The publication of the Framework will help Geely Auto obtain appropriate financing arrangements for its sustainable development projects, achieve its commitments to sustainable development, and align its financing strategy with the global best practices in ESG debt issuance. In addition, sustainable finance will further enhance Geely Auto's financing efficiency, reduce debt financing costs, expand diversified financing channels, and enable Geely Auto to continuously maintain its advantages in financing categories and costs.

In August 2022, the Group was granted a sustainable club loan of US\$400 million in accordance with the Framework. As of 10 January 2023, all proceeds from the loan have been used for pure electric vehicle ("BEV") research and development and battery procurement for BEV production to support the achievement of carbon emission targets.

3

Climate Neutrality

Material Issues

⊕ Carbon
Emissions
and Climate
Change



(1) Carbon Reduction in Vehicle Use:

- ⊕ NEV sales volume: **487K units** (↑ **48%** YoY), 28.9% of total sales volume (↑ **6%pt** over last year)
- ⊕ BEVs sales volume: **336K units** (↑ **28%** YoY), 19.9% of total sales volume (↑ **1.5%pt** over last year)
- ⊕ PHEVs sales volume: **151K units** (↑ **129%** YoY), 9.0% of total sales volume (↑ **4.5%pt** over last year)

(2) Carbon Reduction in Vehicle Use:

- ⊕ **6 vehicle plants** use 100% renewable electricity
- ⊕ Renewable electricity in vehicle plants' electricity use: **60%** (↑ **24%pt** over last year)
- ⊕ Renewable energy consumption in vehicle plants' energy consumption: **33%** (↑ **15%pt** over last year)
- ⊕ Total installed photovoltaic capacity (vehicle and powertrain plants) reached **400.4MW** (↑ **30.4%** YoY)
- ⊕ 3 vehicle plants obtained "zero-carbon factory" certifications

(3) Carbon Reduction in Supply Chain:

- ⊕ ↓ **15.5%** new energy model supply chain carbon emissions compared with 2020
- ⊕ ↓ **5.7%** fuel model supply chain carbon emissions compared with 2020

Future: Climate Neutrality,
Nature Positive



3.1 Climate Strategy and Targets

Climate change and carbon emissions have become key global ESG issues, with profound impacts on the Group, the automotive industry and even the world. The Group is committed to becoming a leading global automotive enterprise that takes responsibility for addressing climate change. Through proactive actions and technology innovations, the Group takes itself as an example to drive the industrial chain and users to jointly achieve low-carbon transformation.

The Group deeply understands that climate change is not only an environmental issue, but also has far-reaching social and economic impacts on all stakeholders in addressing climate change. Therefore, the Group not only strives to achieve carbon neutrality, but also explores a carbon neutrality implementation path that can achieve balanced development in addressing environmental, social and economic challenges based on technological innovation and economic sustainability, so as to realise the goal of carbon neutrality in a pragmatic and just manner.

The Group officially announced the following carbon reduction targets in March 2022:



During the Reporting Period, the Group formulated the "Climate Neutrality" strategy and the following key actions to achieve the above targets and to realize a transition to the 1.5°C pathway aligning with the Paris Agreement:

Establishing a climate resilience management system	New Energy Vehicle Transformation	Zero-carbon factories and low-carbon supply chain	Circular and low-carbon materials	Developing methanol economy
<div>"3.2 Lifecycle Carbon Management"</div> <div>"3.4 Climate-related Disclosures"</div>	<div>"3.3.1 Carbon Reduction in Vehicle Use"</div>	<div>"3.3.2 Carbon Reduction in Manufacturing"</div> <div>"3.3.3 Carbon Reduction in Supply Chain"</div>	<div>"3.3.3 Carbon Reduction in Supply Chain"</div> <div>"4.4 Circular Economy"</div>	<div>"3.3.1 Carbon Reduction in Vehicle Use"</div>

Just Transition

Just transition is the key process in addressing climate change, so as to ensure that it can achieve balanced development in the environment, society and economy, and that the benefits in the transition process are reasonably distributed among all stakeholders.

With the long-term target of achieving carbon neutrality, the Group takes into full consideration the impacts of various stakeholders as follows when formulating the climate neutrality strategy, so as to establish a stable, pragmatic and just low-carbon transition path towards the ultimate objective of net zero automobiles:

Public: With the goal of achieving China's dual carbon goals and the 1.5°C pathway of the Paris Agreement, the Group continues to set carbon reduction targets and implement carbon reduction measures, taking the responsibility in jointly addressing climate change;

User: Various types of NEVs currently have different usage restriction in different scenarios (including but not limited to the lack of charging facilities, the current performance of battery in extreme weather, users' demand for long-distance and remote areas travel, etc.). Therefore, we pay close attention to the market demand in different regions and provide diversified new energy and energy-saving products with user orientation, to meet the needs of users in different scenarios and provide more suitable and economical low-carbon mobility solutions. (Please refer to "3.3.1.1 New Energy Strategy" for details) We also continue to seek technological breakthroughs through technological innovation to overcome usage shortcomings in the medium to long term and further reduce average emissions in vehicle use. (Please refer to "3.3.1.2 New Energy Technologies" for details);

Employees: In the process of new energy transformation, the Group takes into full consideration the interests of employees related to the fuel vehicle business originally by, on the one hand, providing them with more re-skilling and employment opportunities in the field of NEVs (please refer to "8.5.2 Just Transition" for details), and on the other hand, the establishment of the powertrain joint venture allows the opportunity for the low-carbon transformation of internal combustion engine technologies, enabling employees from the traditional fuel vehicle business to contribute their existing skills to low-carbon transformation. (Please refer to "3.3.1.2 New Energy Technologies" for details);

Suppliers: The Group provides suppliers with various resources to support their low-carbon transformation, including the provision of training, technical support, carbon management platforms, etc. (Please refer to "3.3.3 Carbon Reduction in Supply Chain" for details);

Shareholders and investors: The Group adopts diversified new energy routes to ensure better development while maintaining stability, and seeks breakthroughs in the new energy field as much as possible to achieve a balanced development of low-carbon transformation and commercial sustainability.

3.2 Lifecycle Carbon Management

The Group has established a climate resilience management system. For details of the governance framework of this system and the management of risks and opportunities related to addressing climate change, please refer to the "3.4 Climate-related Disclosures" in this Report. The climate management system also established a set of carbon management mechanism:



The Group adopts the "G Carbon Cloud", which was independently developed by Geely Digital Technology, a subsidiary of Geely Holding Group, as a digital platform for all-round carbon management.

The Group's carbon footprint assessment is based on the lifecycle carbon footprint of products, and the carbon accounting is conducted by identifying various sources of carbon emissions through carbon footprint verification, and with reference to the "Guide to Accounting Methods and Reporting of Greenhouse Gas Emissions of Machinery and Equipment Manufacturing Enterprises", the "Fifth Scientific Assessment Report of IPCC (2014)" and the data released by government authorities.

To further enhance the accuracy and reliability of carbon emission data, the Group engaged the Hong Kong Quality Assurance Authority (HKQAA) to conduct independent verification of the carbon emission data (Scope 1, 2 and 3) and other key environmental data for the year 2023 in accordance with the ISAE 3000 – "Assurance Engagement Other Than Audits or Reviews of Historical Financial Information". For details, please refer to Appendix 6 – Verification Statement.

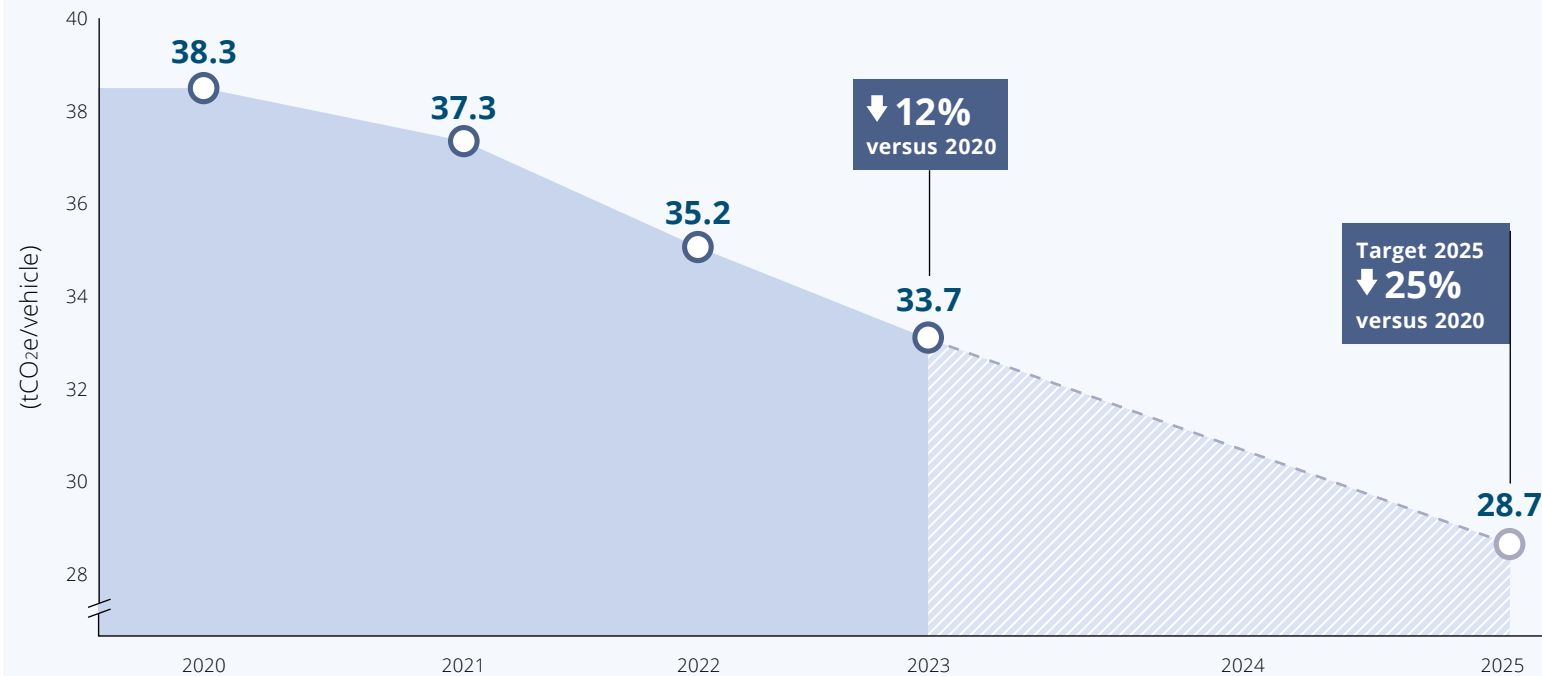
In 2022, the Group completed a comprehensive carbon footprint assessment for 2020 and 2021, and formulated the following carbon reduction targets based on the results:

Short-term target: With 2020 as baseline, lifecycle carbon emissions per vehicle to be reduced by 25%+ by 2025

Long-term target: Achieve carbon neutrality by 2045

In 2023, the lifecycle carbon emissions per vehicle of the Group was 33.7 tCO₂e/vehicle, representing a year-on-year decrease of 4.3% and a decrease of 12% compared with 2020 baseline.

Lifecycle carbon emissions per vehicle



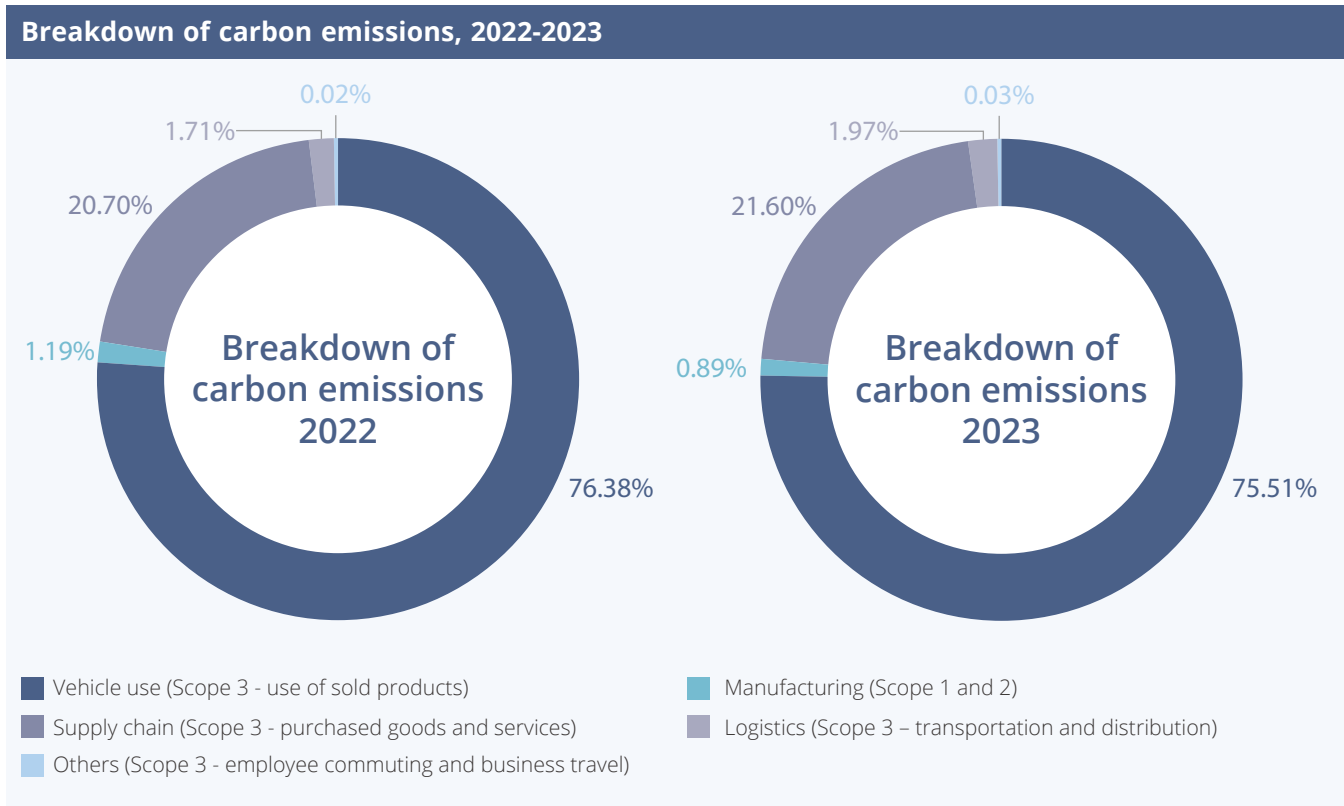
Science-Based Targets

The Group submitted the commitment to set science-based targets to the Science Based Targets initiative (SBTi) in April 2022, and shall submit the relevant target setting within 24 months of the commitment. However, SBTi suspended target validation for automakers in the same year, pending the release of an updated guideline for setting 1.5°C pathway emission targets for road vehicles.

In October 2023, SBTi conducted a public consultation on the Draft Interim 1.5°C Pathway for Automakers, and the Group actively participated in providing feedback. In March 2024, SBTi officially released the updated Land Transport Guidance with the interim 1.5°C Pathway for Automakers and re-opened its target validations. Besides, the automakers (including the Group) that have reached the commitment deadline can submit their science-based targets within six months from the release of the guideline by SBTi (i.e. on or before September 2024).

The Group is currently collaborating with external expert to study the feasibility of setting science-based targets in accordance with the updated guidelines and other feasible solutions in line with the 1.5°C pathway of the Paris Agreement.

Based on the above carbon accounting, the Group categorizes carbon emissions by business nature from management perspective. The classification of carbon emissions and the respective proportions are as follows:



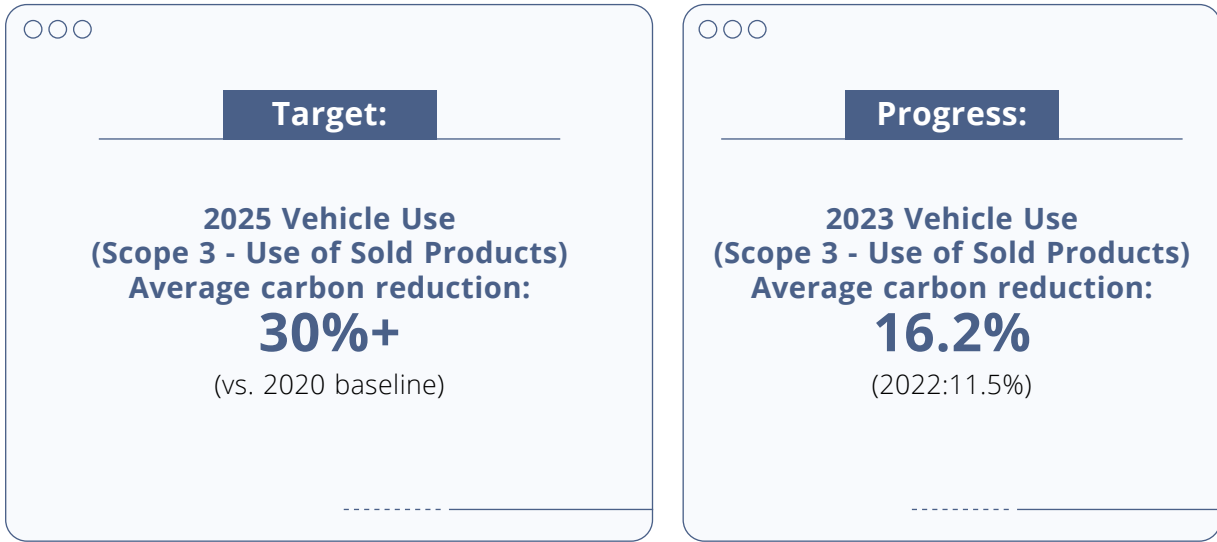
Based on the above classification of carbon emission sources, the Group has formulated corresponding carbon reduction action plan. The Group reviews the progress of the action plan through carbon accounting at least once a year, and conducts investigations and planning improvement based on the annual assessment of climate risks and opportunities to achieve the carbon emission reduction targets more effectively. For details of the implementation and effectiveness of relevant carbon reduction action routes, please refer to "3.3 Implementation of Carbon Reduction Action".

3.3 Implementation of Carbon Reduction Action

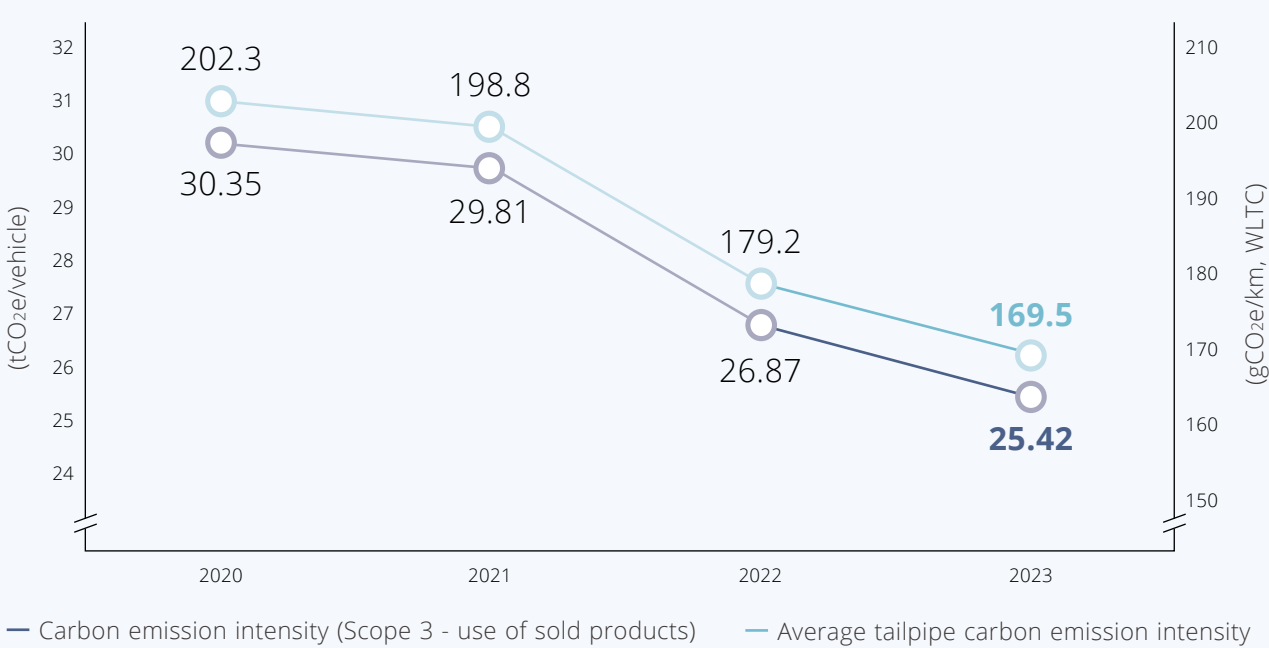
3.3.1 Carbon Reduction in Vehicle Use

Vehicle use carbon emissions (Scope 3 – use of sold products) are the most significant carbon emission source of the Group, accounting for 75.51% in 2023. They are carbon emissions generated from the fuel combustion during the use of vehicles sold by the Group and the carbon emissions generated from the extraction and processing of fuels used by vehicles and the production and distribution of electricity used by vehicles.

The Group has set the following targets for vehicle use carbon emissions and their progress are as follows:



GHG emission intensity (Scope 3 - use of sold products) and average tailpipe carbon emission intensity



The Group has set the following action routes to promote the achievement of vehicle use carbon reduction targets:

New energy strategy	Fuel economy improvement	New energy technologies	NEV promotion and low-carbon mobility awareness enhancement
<div>⊕ NEVs accounted for 28.9% in 2023 (2022: 22.9%)</div>	<div>⊕ Corporate average fuel consumption* was 4.51 L/100 km in 2023 (2022: 5.23 L/100 km)</div> <div>* Worldwide harmonized Light vehicles Test Cycles (WLTC)</div>	<div>⊕ R&D and application of advanced pure electric and hybrid technology</div> <div>⊕ Promote green methanol</div> <div>⊕ Explore the development of more alternative fuels</div>	<div>⊕ NEV market coverage in multiple price ranges</div> <div>⊕ Expand sales channels for NEVs</div> <div>⊕ Continuous establishment of charging facilities</div> <div>⊕ Improve users' awareness of low-carbon products via multi-channels</div>

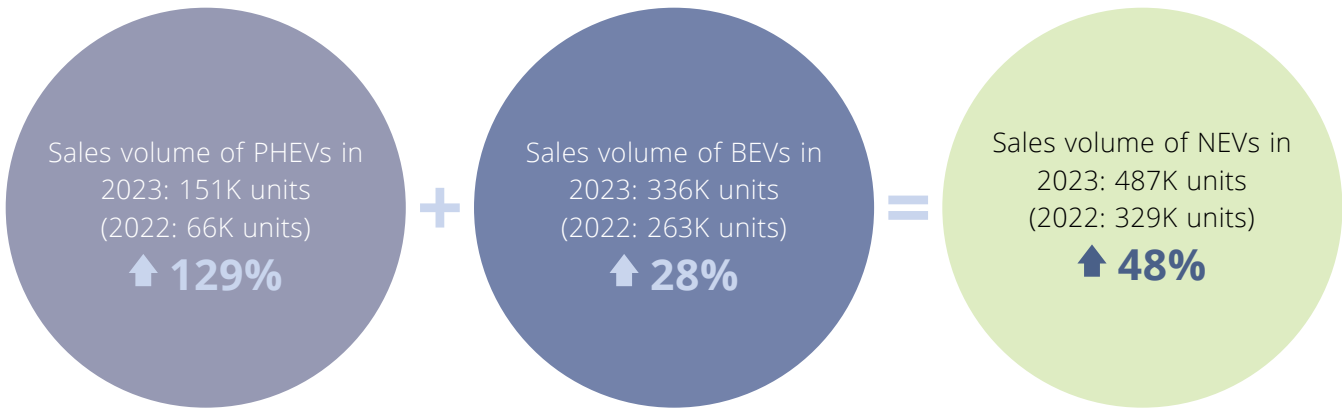
3.3.1.1 New Energy Strategy

The Group announced the “Two Blue Geely Action Plans” in 2021, clearly planning the balanced development route of improving energy saving and low carbon products as well as zero emission products.

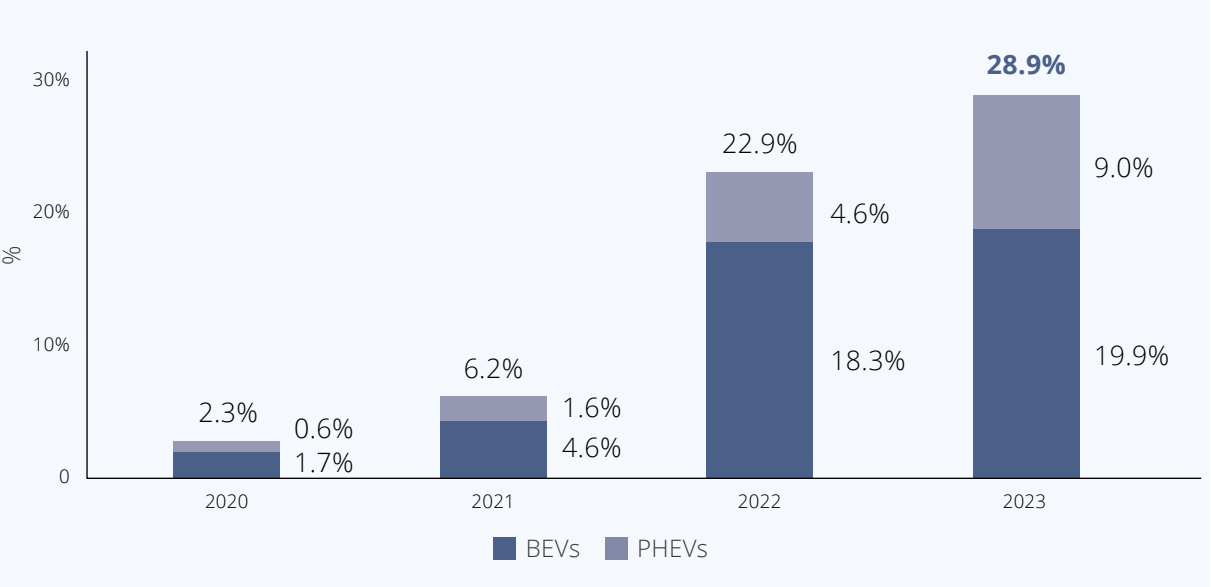
Two Blue Geely Action Plans

- Plan 1:
Intelligent energy-saving and NEVs: hybrid electric vehicles (HEVs), plug-in hybrid electric vehicles (PHEVs), enhanced PHEVs and small-displacement energy-saving vehicles.
- Plan 2:
Intelligent BEVs: establish a brand-new BEV company, and actively participate in market competition.

During the Reporting Period, the total sales volume* of the Group was 1,687K units, of which the sales volume of new energy vehicles*:



Proportion of NEV sales volume*



* : Including the total sales volume of “Lynk & Co” and “Livan” vehicles sold by the Group’s 50%-owned joint venture, namely Lynk & Co Investment Co., Ltd.(“Lynk & Co Joint Venture”) and the Group’s 45%-owned associate, namely Chongqing Livan Automotive Technology Company Limited (“Livan Associate”).

During the Reporting Period, the Group completed the transformation layout of new energy and intelligence, and achieved remarkable results in the new energy strategies of various brands, which greatly increased the proportion of NEV sales volume of the Group to 28.9%, thus the average intensity of tailpipe emissions decreased, which was the main reason for the average carbon reduction in vehicle use.

The Group has set a total sales volume target of 1.9 million units in 2024, among which the sales volume target of NEVs is expected to increase by more than 66% compared with that in 2023, so as to further move towards the target of average carbon reduction by more than 30% in vehicle use by 2025.

The progress of new energy strategies of each brand of the Group during the Reporting Period and its future development are as follows:



(1) Geely brand

The sales volume of Geely brand in 2023 was 1.31 million units (2022: 1.12 million units), a year-on-year increase of 16%. There are three product series under the Geely brand, namely:

Galaxy series: Mid-to-high-end NEV market

Geome series: Mass market BEV market

China Star series: Focus in fuel vehicle market

Galaxy series is the exclusive NEV mid-to-high-end product series launched by Geely brand in 2023, further realizing the new energy strategy of Geely brand.

During the Reporting Period, the Galaxy series launched Galaxy L7 and Galaxy L6 equipped with NordThor Hybrid 8848, and pure electric Galaxy E8 on SEA architecture respectively:

Galaxy L7



Galaxy L6



Galaxy E8



Since the following month after its launch in May 2023, Galaxy series have maintained a monthly sales volume of over 10,000 units for seven consecutive months during the Reporting Period, and its total sales volume in seven months has reached 83,000 units, quickly establishing itself in the market of mid- to high-end NEVs.

Geome series is committed to providing BEVs to mass market consumers, targeting the entry level BEV market of “economical new energy”. During the Reporting Period, the total sales volume of newly launched Panda Mini accounted for 109,000 vehicles.

China Star series focuses on the fuel vehicle market, and makes the traditional fuel vehicles move towards low carbon and intelligence through more advanced fuel-electric hybrid technology and intelligent technology. During the Reporting Period, China Star series launched “Xingyue L Smart Engine” and “Xingrui L Smart Engine”, adopting intelligent dual engine fuel-electric hybrid system, carrying 1.5TD hybrid special four-cylinder engine, with thermal efficiency of 44.26% and 3 intelligent frequency conversion DHT, the comprehensive condition of fuel consumption (WLTC) 4.79 L/100 km and 4.22 L/100 km, respectively. Compared to its fuel vehicle version, the fuel consumption performance was greatly improved.

In 2024, Geely brand plans to launch three new models, including one BEV SUV model “Galaxy E5” and one mainstream PHEV SUV model under the Galaxy series, and one compact BEV SUV.

Galaxy L7 was awarded the “Low Carbon Car Top Runner” of China Automobile in 2023, ranking first among A-class PHEVs

Galaxy L7 stands out among 21 models in its category with a lifecycle carbon footprint of 194.92 gCO₂e/km, which is 16.2% (232.6 gCO₂e/km) lower than the average in the industry.

Its end-of-use emissions (including carbon emissions from fuel production, fuel use, and maintenance) were 124.92 gCO₂e/km, which is much lower than the industry average of 24% (164.42 gCO₂e/km). The performance is attributed from the new generation of hybrid powertrain “NordThor Hybrid 8848” equipped by Galaxy L7. NordThor hybrid engine BHE15 Plus has an ultra-high thermal efficiency of 44.26% and a maximum power of 120kW. At the same time, it is equipped with a predictive energy management system, which can intelligently manage energy consumption based on the “user habits and travel paths”, increasing the energy saving rate up to 15%.

Its WLTC fuel consumption is 5.23 L/100km, and can reach 1,370 km under the China Light Vehicle Test Cycle (“CLTC”) range. It has four driving modes: pure electric, range extension, electric hybrid and performance, with optimization in energy consumption in all scenarios.

In addition, in the first batch of China Green Car Assessment Program (C-GCAP) tests, Galaxy L7 was ranked first in three categories of health, energy efficiency and low carbon, and received a full five-star score. In the C-GCAP energy efficiency assessment, the combined fuel consumption was 5.03 liters/100 km and the urban fuel consumption was 4.75 liters/100 km, with a score of 100, which is much higher than the average score of 92.7.



Source: Automobile Industry Chain Carbon Publicity Platform (CPP)

ZEEKR (2) ZEEKR brand

ZEEKR is the Group's luxury BEV brand, which was established in March 2021 to realize the plan 2 of the "Two Blue Geely Action Plans" and all vehicle products under the brand are BEVs. During the Reporting Period, in addition to the original product matrix of luxury shooting brake sedan "ZEEKR 001" and the luxury battery electric MPV "ZEEKR 009", ZEEKR launched 3 new models: the new premium versatile SUV "ZEEKR X", the premium shooting brake supercar "ZEEKR 001 FR" and the pure electric luxury sedan "ZEEKR 007". Sales volume reached 119,000 units in 2023, up by 65% year-on-year.



ZEEKR 007 is equipped with a full stack 800V high-voltage system, SiC rear electric drive, and ZEEKR's in-house ultrafast charging 75 kWh lithium iron phosphate "Gold Brick Battery". The capacity utilization rate is 83.7%, and the charge rate reaches 4.5C, which can charge 500 km of driving range within 15 minutes and has 688 km (CLTC) driving range. The long-range variant of ZEEKR 007, powered by CATL 100 kWh Qilin batteries, can charge 610 km of driving range within 15 minutes and has 870 km (CLTC) driving range, with a low power consumption of 12.5 kWh/100 km.

In 2024, ZEEKR brand plans to launch three new models, including the top-class luxury battery electric MPV "ZEEKR 009 Grand", one pure electric innovation model "ZEEKR Mix" and one mid-to-large size luxury battery electric SUV model.

LYNK & CO (3) Lynk & Co brand

Lynk & Co brand is a global high-end brand established as a joint venture by the Group, Volvo Cars and Geely Holding Group. The total sales volume of Lynk & Co brand is 220K units in 2023. Through accelerating the new energy strategy, the sales volume of NEVs of Lynk & Co brand increased by 60.1% year-on-year to 63K units, and the percentage of sales volume of NEVs increased to 28.5%.



During the Reporting Period, Lynk & Co 08 EM-P launched by Lynk & Co became the hot-sale product of the brand. It is equipped with DHT EVO, a new generation of NordThor hybrid gearbox, and it mainly consists of P1 motor, P3 motor, 3-speed DHT, and electric control system. The dual-motor provides strong power output. The overall WLTC efficiency for the powertrain can reach 89.4%, 1.5% higher than that of the single-stage hybrid. The WLTC combined fuel consumption of its 245 km-CLTC work condition pure electric endurance mileage version of the is 0.7 L/100 km.

In addition, Lynk & Co also offers subscription services in a number of European regions, where users can use vehicles and ancillary services during subscription services through regular payment of vehicle subscription fees. By the end of 2023, the cumulative subscription volume had exceeded 36K. The subscription service provides users with vehicle sharing to obtain vehicle use rights in a more flexible way, improving the efficiency of vehicle use, and the vehicles used in the subscription service are Lynk & Co PHEVs, further contributing to reducing carbon emissions.

In 2024, Lynk & Co brand plans to launch three new models, including the super extended-range plug-in hybrid sedan "Lynk & Co 07 EM-P", a mid-to-large size battery electric flagship sedan and a compact battery electric SUV.

(4) Livan Automobile

Livan Automobile is a joint venture of the Group and Lifan Technology (Group) Co., Ltd. As a battery swapping vehicle brand, its rapid battery swapping feature not only improves operational efficiency of business customers, but also provides a convenient battery swapping and BEV experience for the individual customers. It has established its battery swapping network in Hangzhou, Chongqing, Jinan, Tianjin, Nanjing, Changsha and Suzhou. During the Reporting Period, the sales volume of Livan was 38,001 units, and the newly launched Livan 7 battery-swapping pure electric SUV accelerated the layout of the BEV market for individual customers.

In February 2024, the Group sold its entire 45% equity interest in Livan Automobile and will cease to have any equity interest in Livan Automobile upon completion of the disposal.

3.3.1.2 New Energy Technology

Through new energy technology and product upgrades, the Group has created a number of new energy technology paths such as pure electricity, hybrid and green methanol to achieve a comprehensive transition to new energy, thereby accelerating the use phase emission reduction of the Group. We insist on responding to the needs of consumers. While promoting the development of BEVs, we continue to explore more solutions, increase investment in hybrid technology, and deepen the research on clean alternative energy such as methanol. We continue to carry out the research and development of ultra-low emission technology to reduce the energy loss of engines, and reduce the energy consumption and emissions of traditional high energy consumption models during the use phase while ensuring the engine efficiency as much as possible.

The Group has accumulated more than 3,500 patented technologies in the field of new energy technology.

Pure electric technology:

Sustainable Experience Architecture (SEA): the SEA was released in 2021 as a proprietary modular architecture for BEVs, which is compatible with wheelbase models ranging from 1.8m to 3.3m, and covers a wide range of vehicle types such as sedan, SUV, and MPV. This architecture provides a competitive advantage for the development of pure electric vehicles in terms of R&D effectiveness and efficiency, cost-effectiveness, and flexibility with the latest leading pure electric technology. During the Reporting Period, in addition to the ZEEKR’s full range of products were developed based on the SEA, the Galaxy E8 was also developed based on the SEA, and in 2024, Lynk & Co will also launch an all-electric vehicle developed based on the SEA.

Range Performance: ZEEKR 009 ME is the world’s first pure electric MPV with a CLTC range of more than 800 km, while the ZEEKR 001 and the new ZEEKR 001 (2024 version) WE model equipped with a 100kWh battery also achieve CLTC ranges of 741 km and 750 km, respectively, which is a leading position in the industry.

Battery Technology: The self-developed lithium iron phosphate “Gold Brick Battery”, released in December 2023, has an industry-leading volumetric utilization rate of 83.7%, is equipped with 800V (Volt) extreme charging technology, with a maximum charging rate of 4.5C, and a range increase of more than 500 km after 15 minutes of charging. The ZEEKR 007, which equipped with its Gold Brick battery, has a CLTC ranges of up to 688 km.

Eco 800V: 800V Gold Brick Battery, the world’s first delivered Tetra-Carbon 800V system, and 800V Extreme Charge V3 charging technology with a maximum power of 800 kW per gun , realising the full-ecology 800V quick charging.

Hybrid technology:

The NordThor intelligent hybrid system has been installed in dozens of models since its launch in 2021. The Group has fully streamlined the number of engines and targets to reduce from 18 in 2021 to 10 in 2025, of which electrified powertrain accounts for 60%. During the Reporting Period, the Group released the new generation of hybrid system “NordThor Hybrid 8848”, and completed its development in 7 car models. Compared with the previous generation, the cost was reduced by 10%, the power was increased by 9%, and the fuel consumption continued to maintain its advantages.

Alternative fuels

Although BEVs and PHEVs have made significant progress in the automotive industry and become the main drivers of emission reduction in vehicle use, there are still limitations and challenges in different scenarios, such as the density of charging infrastructure, battery performance in extreme weather, and power generation in reliance on fossil fuel. In addition to the continuous research and development of pure electric and hybrid technologies to achieve breakthroughs, the Group is also actively exploring the use of alternative fuels to create a diversified system of NEVs to meet the needs of users in different usage scenarios.

(1) Methanol

Methanol has been a critical field of the Group’s research and development of alternative fuels for 19 years. The green methanol produced by carbon capture technology can capture 1.38 tons of carbon dioxide per ton produced, providing a low-carbon alternative to traditional fuel vehicles.

From 2022, we launched the fourth-generation Emgrand methanol-electric hybrid model in Guiyang, Guizhou Province and Shanxi Jinzhong, with a methanol consumption of 9.2 L/100km, which is more than 40% lower than the carbon emissions of traditional gasoline vehicles with the same emission volume. During the Reporting Period, through the optimization of production technology, the production cost of this model has been further reduced and has been gradually introduced to the northern markets such as Gansu, Hebei and Heilongjiang.

At present, methanol vehicles still faces problems such as insufficient infrastructure of filling stations. In the next 2-3 years, relying on the green methanol production industry and methanol energy construction of Geely Holdings Group, we plan to promote the development of green methanol energy and methanol vehicles from the entire industrial chain of fuel production, fuel transport and distribution system, vehicle application and other aspects to meet customer needs.



NordThor Hybrid Engine BHE15 Plus

In February 2023, we released a new generation of NordThor Hybrid Engine BHE15 Plus, in which its first implementation were the plug-in hybrid model Geely Galaxy L7 and hybrid-electric model Geely Xingrui L Zhiqing. The WLTC fuel consumptions per 100km are 5.23 L and 4.22 L, respectively.

In order to improve thermal efficiency, BHE15 Plus has adopted technologies such as efficient combustion system to enable rapid and full mix of fuel and air, thereby reducing fuel consumption. At the same time, the application of systematic friction reduction technology has significantly reduced the energy loss caused by friction, exhaust, cooling and other aspects of engine operation. During the Reporting Period, BHE15 Plus was awarded the title of “Energy Efficiency Star” by the CATARC Huangcheng Certification and the honor of “China Heart” 2023 Top 10 Engines and Hybrid Systems.



Production of a 100,000-ton green methanol plant

In February 2023, the methanol plant funded by Geely Holdings Group was put into operation in Anyang, Henan Province, which is the world’s first commercial-scale project to produce methanol from carbon dioxide and hydrogen emissions. At the same time, the plant also adopts the carbon dioxide capture and purification process with completely independent intellectual property rights in China, which comprehensively utilizes the by-product hydrogen from coke oven gas and the carbon dioxide captured from industrial emissions to synthesize green and low-carbon methanol. Upon completion, the plant can directly reduce carbon dioxide emissions by 160,000 tons per year, producing 110,000 tons of methanol and co-produce 70,000 tons of liquid natural gas, equivalent to an increase of 160,000 mu (15 mu equals to 1 hectare) of forest planting area.

(2) Hydrogen engine

Hydrogen fuel engines still use the main structures and systems of traditional internal combustion engines, but using industrial by-product hydrogen as the main fuel can significantly reduce fuel costs and achieve lower carbon emissions. During the Reporting Period, the hydrogen fuel engine independently developed by the Group can achieve an effective thermal efficiency of more than 46%, and will plan to exceed 50% in the future, reaching a leading level in the industry.

3.3.1.3 New Energy Promotion and Education

Based on current diversified scenario demands in Chinese market, by creating multiple new energy technology routes to match exclusive channels for new energy, and building charging infrastructure, the Group has achieved a comprehensive transition to new energy, providing more high-quality and high-value low-carbon products to consumers.

(1) Energy supply

Geely Auto built a charging network of “home charging points + Geely self-built charging stations + public charging stations” for car owners. We installed home charging points for more than 70K car owners, connected to more than 600K public charging terminals, built and opened more than 900 charging stations, and continued to secure customers’ driving experience with accessible charging facilities.

Formation of Powertrain Joint Venture to Drive Development of Next-Generation High-Efficiency, Energy-Efficient Hybrids and Synthetic Fuels

The Group, Geely Holding Group and Renault entered into an agreement in July 2023 to establish the powertrain joint venture, with an aim to become a leader in next-generation high-efficiency, energy-efficient hybrid powertrain solutions covering 80% of the global fuel-efficient and hybrid vehicle market. The new company will have a total workforce of approximately 19K employees in Europe, Asia and South America, and will supply powertrain products to its shareholders and third-party automotive brands.

Saudi Aramco also signed a letter of intent with the Group, Geely Holding Group and Renault in March 2023 to invest in the acquisition of a minority equity in the powertrain joint venture and to drive the development of the powertrain joint venture, which will contribute to the research and development of synthetic fuels, including e-fuels, and critic technology of next-generation hydrogen power.

Charging Network

Car owners charging at home: we provided home charging piles that match the needs of various vehicle models to NEV owners. At present, the latest home charging piles have the functions of remote start and stop, plug and charge, remote OTA, etc. Car owners can also schedule charging during off-peak hours at night through vehicle information system or mobile APP.

Car owners charging at our self-built charging stations: By the end of 2023, more than 900 charging stations have been built and opened across the country, covering 136 cities.

Car owners charging “in-transit”. As of the end of 2023, we interconnected with third-party charging operators and connected to the high-quality charging resources. It has access to 95% of the public charging points in the market, and car owners in the first-and second-tier cities can access to charging point within 3 km or 5-minute driving. Car owners can search for charging stations through the APP, choose and charge according to their needs.

ZEEKR Charging Network

In order to protect the travel experience of pure electric users during the transformation process of electrified travel, ZEEKR Energy, relying on its professional team, self-developed technology, and intelligent operation, laid out digital products and services covering the three major scenarios of “home charging, public charging, and mobile charging”, and is committed to providing vehicle owners with all-round energy service solutions. During the Reporting Period, ZEEKR's self-built charging stations exceeded 2,059, with more than 2,000 “Extreme Charging Piles” covering 130 cities nationwide; ZEEKR's home charging piles covered 31 provinces and 320 cities, with a cumulative total of 62,000 home charging piles delivered.

- ⊕ As the battery capacity of pure electric vehicles continues to increase, some users have the need to install a second home charging station. For such users, we developed a 7kW AC charging station with a built-in Bluetooth module, which can be connected to the station via Bluetooth to realize plug-and-play charging and senseless start-up even in a network-less environment;
- ⊕ For models with large-capacity batteries, we developed a 20kW DC home charging station, which effectively reduces the charging time;
- ⊕ For home charging, we developed My Home Charging Station, which can be used in conjunction with the home charging station intelligent hardware to realize remote control/telemetry/telecommunication functions of the stake by cell phones;
- ⊕ For destinations and public charging scenarios, we developed Charging Map to widely incorporate self-built and third-party DC pile station resources, and all charging stations in the map can be scanned to activate charging and settle rights and interests through an APP, which realizes the linkage between the mobile terminal and the vehicle terminal in the whole chain of checking/finding/charging/paying/ticketing of the user's charging process;
- ⊕ For the business of self-built brand fast charging stations, we developed digital tools such as ZEEKR Energy Backend Management System and ZEEKR Energy mate APP to provide digital capacity building and tool matrix during the whole life cycle from site construction to station operation and maintenance;
- ⊕ To address the pain point of car owners who can't find the a self-built station at the last 100m, we developed the Smart Station function, which realizes the functions of indoor guidance and park locking for cell phones or cars by responding to the Bluetooth devices along the routes and at the stations.

(2) Power battery recycling

The Group undertakes the responsibility for the recycling of used batteries of NEVs, and has established a battery traceability and recycling management system, which is connected with the national battery traceability management system. We provides enquiries on official websites of brands for used battery recycling service outlets, and publicly disclose the information including vehicle dismantling guiding manual, vehicle repair and repair outlets for guiding the consumers' responsible consumption. For more information on how we handle the recycling of batteries and vehicle recycling, please see “4.4 Circular Economy”.

(3) Covering the new energy market with multiple price points

The Group's Geely, Lynk & Co and ZEEKR brands cover the mass to mid-to-high-end, high-end and luxury markets for NEVs respectively, enabling low-carbon mobility that is not limited to a specific consumer group, helping to popularize the use of NEVs and providing affordable and accessible sustainable mobility to different consumer groups.

(4) Expansion of new energy sales channels

In order to effectively promote the sales of NEVs, the Group established dedicated sales channels for the following new energy brands in addition to the sales of NEVs and fuel vehicles in the existing sales network as at the end of 2023:

As of the end of 2023:

Geely Galaxy: 517 stores (China)

ZEEKR: 340 directly-managed stores (China) and 2 directly-managed stores (Sweden and the Netherlands)

(5) Enhance consumer awareness of new energy products through multiple channels

We guided dealers to convey responsible consumption concepts and purchasing decisions to consumers, advocating sales staff to introduce the environmental performance of products (such as combined fuel and electricity consumption, thermal efficiency) and the new energy versions of vehicle models, as well as providing options for officially certified used vehicles and replacement services to provide consumers with more environmentally friendly and economical purchasing choices, and to help consumers enhance their ability to evaluate new energy products.

In addition, we guided dealers to provide consumers with advice on recycling and disposal services for used batteries and end-of-life vehicles during after-sales service.

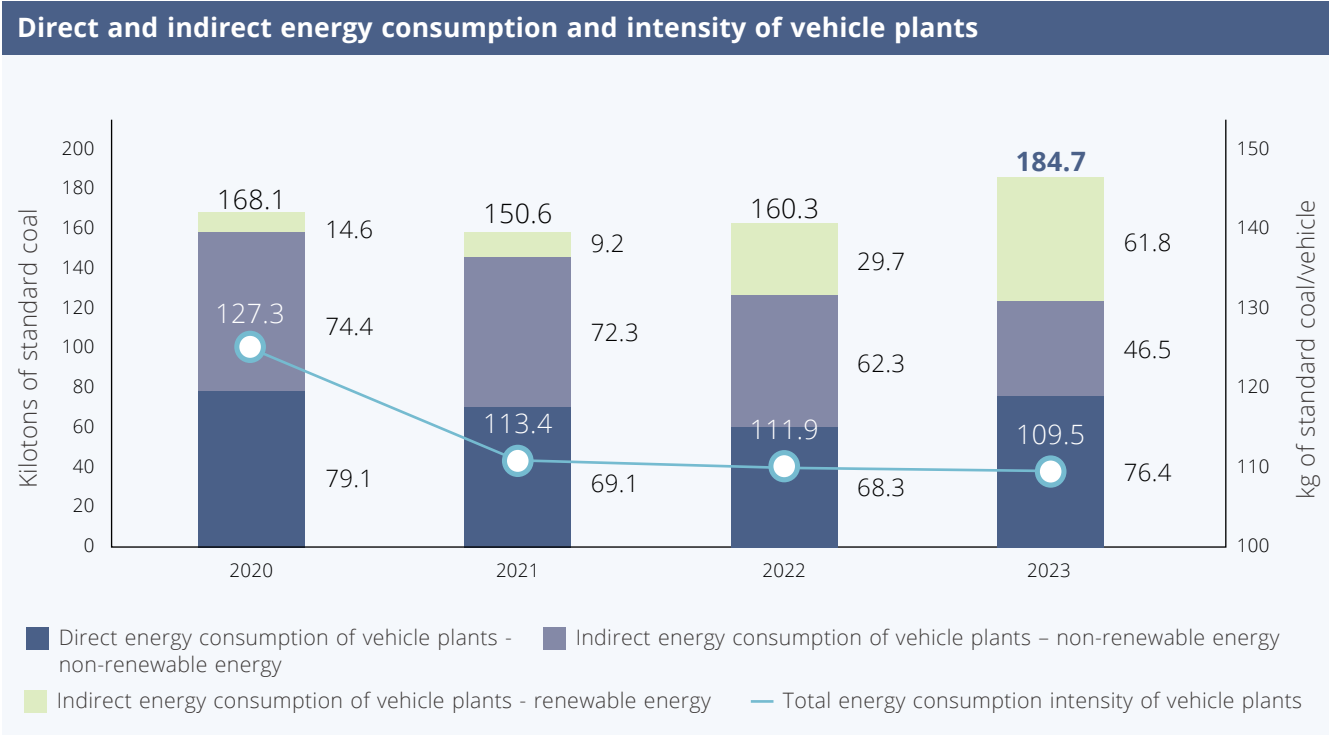
Policy Proposal: Establishment of a Unified Carbon Footprint Management System to Facilitate the Realization of the Dual Carbon Goals

During the National People's Congress and the National People's Political Consultative Conference in March 2024, Mr. Li Shufu, Chairman of the Group, proposed the establishment of a unified carbon footprint management system for the automobile industry to help achieve the Dual Carbon Goals and to promote the international convergence and mutual recognition of the carbon footprint of the automobile industry. "China has become the world's largest exporter of automobile products, and at this stage, the NEV products have obvious advantages, in order to further expand the export advantage of automobile products, automobiles urgently need to become one of the products that will be released in 2025 carbon accounting rules and standards."

In addition, he suggested that priority should be given to promoting the convergence mechanism between the new version of the Measures for the Parallel Administration of the Average Fuel Consumption and New Energy Vehicle Points of Passenger Vehicle Enterprises and the carbon emission reduction system, and that automobile enterprises participating in the construction of the credit pool should be considered in a coordinated manner, and the positive credits of the "credit pool" should be reasonably converted into carbon emission points or carbon quotas after scientific calculation, so as to allow enterprises with insufficient emission reduction to purchase carbon credits from those with excellent emission reduction, thereby promoting the industry's proactive promotion of emission reduction and carbon abatement; he suggested accelerating the release of supportive policies on carbon emission reduction for key industries and pushing forward the construction of a national carbon market, so as to promote the enterprises to carry out carbon emission reduction in a well-planned manner through the market mechanism; he also suggested strengthening the standardization and administration of the digitized carbon management tools.

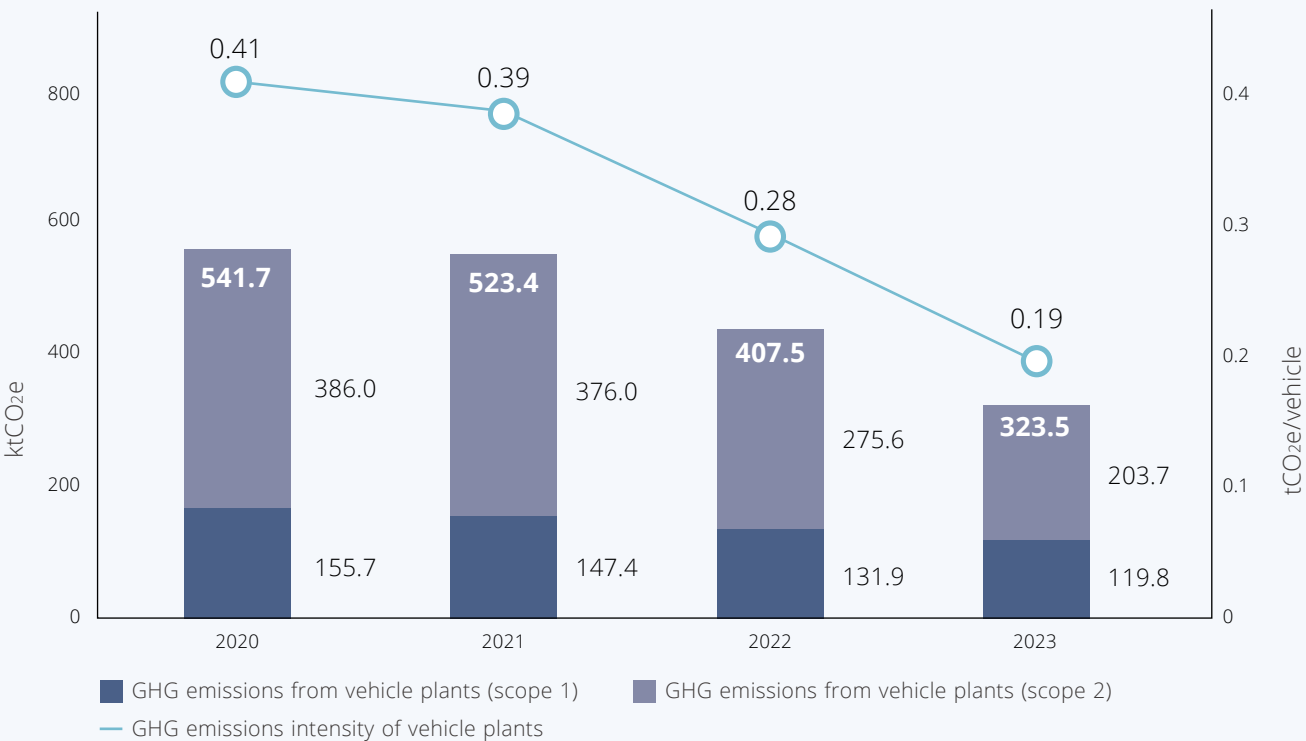
3.3.2 Carbon Reduction in Manufacturing

Carbon emissions in manufacturing are mainly derived from direct emissions from natural gas and gasoline and other energy utilisation during the production process of vehicles and indirect emissions from energy consumption (including purchased electricity and heat) in the operation of plants. We promote carbon reduction in manufacturing through energy conservation, consumption reduction and clean energy substitution. Through the climate neutrality strategy, we have set the target of "reducing carbon emissions by 50% in manufacturing by 2025" (compared with 2020 baseline). In 2023, the energy consumption per vehicle produced and the total greenhouse gas ("GHG") emissions per vehicle of the vehicle plants were 109.5 kg of standard coal/vehicle (2022: 111.9 kg of standard coal/vehicle) and 0.19 tCO₂e/vehicle (2022: 0.28 tCO₂e/vehicle) respectively, representing a decrease of 13.98% and 53.66% respectively as compared with 2020 baseline.



Note: The above energy consumption intensity includes the following types of renewable energy: photovoltaic (2020-2023), hydropower (2020), wind power (2023) and purchase of international renewable energy certificate (I-REC) (2022-2023).

GHG emissions and intensity of vehicle plants



Note: There was no carbon offset for the data in 2020 and 2021. The data in 2022-2023 include carbon credit offset and the offset from the purchase of International Renewable Energy Certificate (I-REC).

Main measures for energy conservation and carbon reduction:

The Group sets the targets for each production plant in accordance with the annual energy consumption management target, monitors energy data, and evaluates the benefits of energy conservation and emission reduction projects. With the help of the “G Carbon Cloud” platform independently developed by Geely Digital Technology, we have built a digital management system for carbon data of each plant and formulated emission reduction plans accordingly; Meanwhile, the Group continues to promote the deployment and upgrade of the EMS energy management system. In 2023, the EMS energy management system has covered 70% of the vehicle plants, and the upgraded version 2.0 has covered 3 vehicle plants. We will continue to promote the coverage of EMS 2.0.



Energy Management System Platform EMS 2.0

In 2023, we deployed the 2.0 version of our self - developed energy management system platform EMS. Compared with the 1.0 version, the 2.0 version, it is an energy management system integrating measurement, monitoring, analysis, assessment, prediction, energy saving diagnosis and aided intelligent decision-making of energy use built by adopting digital, intelligent and other technology means, which could effectively improve the operation reliability and security of the energy security system, improve the work efficiency of energy management and energy supply quality, comprehensively improve the energy management level, realise energy intelligent management and saving energy consumption by 3% to 5%.

The Group promoted the implementation of a total of 116 major energy-saving improvement projects among all vehicle plants, with a total cost reduction of approximately RMB29,180K per year*. Highlights mainly include:

- ⊕ Optimization of process parameters: on the premise of ensuring the quality, optimize the process parameters to reduce energy consumption and achieve energy saving;
- ⊕ Improvement of production efficiency: taking the painting workshop as an example, a paint storage space and grouping area were added to the painting shop to improve the coloring efficiency, so as to save the use of electricity and natural gas;
- ⊕ Intelligent switch: taking the painting drying room as an example, the algorithm model was established by virtue of AI algorithm, to realize the intelligent switch, reduce the waiting time, and reduce energy consumption and carbon emissions.

In addition, the Group vigorously promoted residual heat recovery projects, and successively planned and equipped 12 vehicle plants with painting residual heat recovery systems to reduce the use of steam or natural gas, saving 1.80 million Nm³ of natural gas and 13.6K tons of steam, reducing emissions of 8,061 tCO₂e, and the cumulative cost reduction was approximately RMB10.20 million in 2023*.

* calculated on management caliber

Main measures for clean energy substitution:

In order to achieve the goal of 100% use of renewable electricity in the vehicle plants by 2025, we have increased investment in photovoltaic and energy storage stations, directly purchased renewable electricity, and purchased I-REC. During the Reporting Period, the use of renewable energy and the use of renewable electricity in the Group's vehicle plants accounted for 34% and 60% respectively, representing an increase of 15 percentage pt and 24 percentage pt as compared with last year, respectively. Among them, 6 vehicle plants¹ used 100% renewable electricity, and 3 vehicle plants obtained zero-carbon factory certification², achieving the goal of "at least 3 zero-carbon factories by 2025" in advance. During the Reporting Period, the Group:

- ⊕ Set up a photovoltaic special working group to accelerate the progress of photovoltaic construction projects. The Group's total photovoltaic installed capacity (including vehicle plants and powertrain plants) reached 400.4 MW, representing a year-on-year increase of 30.4%. The Group has basically completed the goal of "building 400 MW distributed photovoltaic power stations by the end of 2023". In 2023, the power production totaled 308K MWh, of which 205K MWh was self-used, and caused a cost reduction of energy consumption of approximately RMB33.92 million/year³;
- ⊕ The Group has deployed lithium iron phosphate battery energy storage facilities in four vehicle plants, to improve the consumption rate of photovoltaic power generation, the total installed capacity reached 31.46 MWh.

1 Xi' an, Baoji, Yuyao, ZEEKR, Xi' an, Chengdu and Zhangjiakou plants.
2 Xi' an, Baoji and Chengdu plants obtained the Zero-Carbon Factory (Type I) Certificate issued by Ti Testing and Certification Group in accordance with the Zero-Carbon Factory Evaluation Standard (T/CECA-G 0171-2022) and were rated as five-star.

Low-carbon office operation

We are committed to integrating the concept of sustainable development into daily operations, creating a green and comfortable office environment for employees, raising their low-carbon awareness, and creating a low-carbon life and green office atmosphere.

- ⊕ Raising low-carbon awareness: We enhance employees' willingness to take the initiative to reduce carbon emissions, and promote the use of energy-saving heating and ventilation systems for air conditioning wherever possible. We advocate for turning off lights when leaving offices and meeting rooms and putting forward a number of suggestions, such as using stairs instead of elevators for short-distance transportation, in order to strive towards reducing carbon emissions in the office building.
- ⊕ Low-carbon planning of office buildings: We have implemented energy-saving projects, e.g., using induction lighting, air-conditioning energy-saving management equipment, cable renovation and photovoltaic roof construction in the office building, and installing induction-type, touch-type and other energy-saving lamps according to different scenarios. We carried out energy-saving renovation of solar street lights within the research institute area. We have carried out digital management measures and regularly track the total energy consumption and photovoltaic power generation.
- ⊕ Increasing the proportion of NEVs in company vehicles to 40%, and utilizing 100% BEV company vehicles for ZEEKR.
- ⊕ Participating in the sustainable living festival: Taking the "Earth Day" on April 22 as an opportunity, we participated in the first 6-weeks long "Sustainable Living Festival of Geely Holding" Group, and highlighted actions of sustainable development to all employees to improve their awareness of sustainable development. A total of 12 themed activities were organized, e.g., the sustainable development photography contest focusing on the three themes of vehicles and nature, Geely and I, and sustainable innovations, and the sustainable living playground with interactive games.
- ⊕ Low-carbon programs for employees: Geely Holding Group has launched the mini program "Geely Low-carbon Lifestyle", and continued to develop more low-carbon scenarios e.g., travel, meetings, catering, etc., to encourage employees to practice low-carbon behaviors through carbon credit incentives. During the Reporting Period, the number of participants in the "Geely Low-carbon Lifestyle" activity was 8,154, and a total of 323,400 "G Miles" have been collected, contributing to a total emission reduction of 483.86 kg of carbon dioxide.

3.3.3 Carbon Reduction in Supply Chain

The Group actively promotes the transformation of green procurement, and drives the carbon reduction of the supply chain by helping suppliers improve their carbon management capabilities. We have set a goal of supply chain carbon emissions reduction by 20% on average in supply chain for each car series (new energy and fuel vehicles, respectively) by 2025. During the Reporting Period, the carbon intensity from the supply chain of new energy models and fuel vehicle models decreased by 15.5% and 5.7% respectively, as compared with 2020.

3.3.3.1 Low-carbon Procurement

In view of the diversified structure of our car series, we have made plans for each link of the supply chain and set annual objective based on the carbon emission reduction goals and components of the supply chain of different series. Geely is committed to building a complete product recycling system and vigorously developing the circular economy. We have developed 13 types of low-carbon materials, and planned to gradually promote in new models launched in 2025 and beyond.

In the R&D and procurement process, while ensuring that the performance of automobile products is not affected, we use a certain proportion of recycled materials, bio-based materials and natural materials, and select lightweight materials. We actively explore the application of renewable steel, aluminum, plastic and other hardware materials and recycled fabrics and natural fibers in the automobile exteriors and interiors. We continue to promote technological progress in lightweight automotive products and work from the source of the value chain, and strive for the harmonious coexistence of people, vehicles and nature. During the Reporting Period:

- ⊕ Completed the development and project application of 3 types of materials with different recycled plastics, and 8 types of materials including recycled PA fiber, bio-based PVC, wool blended textiles, low-carbon cast aluminum and low-carbon aluminum profiles. The recycled PA fabric is used on Lynk & Co 01, the hemp fiber is used on the seat back panel of Lynk & Co 05 and 01, the straw reinforced plastic is used as the interior panel for Geometry E series, and the recycled plastic is used as exterior accessories for ZEEKR 007, Lynk & Co 08 and other models;
- ⊕ Completed the research and application of 7 lightweight technologies, achieving a weight reduction of 19.5 kg, 3 of which are industry firsts;
- ⊕ The models such as Geely Galaxy E8 and Lynk & Co 08 adopt more than 30 new lightweight technologies from the dimensions of integration and new materials, such as thermoforming integrated door rings, ultraelastomer cellular filling and aviation-grade aluminum alloy, leading the industry in terms of lightweighting.

■ Lynk & Co 08

A number of lightweight materials and processes have been applied on Lynk & Co 08, including NEV plastic storage structures and aluminum alloy extruded threshold beam, with a weight reduction of 31% and 26.2%, respectively. At the same time, the carpet in the Lynk & Co 08 cabin is made of 97% recyclable material, and the ceiling fabric is made of 100% recycled material.

■ ZEEKR 001

ZEEKR 001 uses 15% renewable steel plate material and 25% renewable aluminum alloy.

■ ZEEKR 009

ZEEKR 009 adopts environmentally friendly materials, and the bio-based suede for ceiling, pillar and sun visor applications accounts for 30% of plant-based raw materials.

In the newly developed models, the Group will reach a consensus with key parts/raw material suppliers on the sustainability-related requirements in the technical contracts, so as to promote carbon reduction measures in parts and materials such as power batteries, steel/aluminum. During the Reporting Period, the Group has set indicator requirements for 8 models to use circular materials. At the same time, the Group's supply chain team has included the evaluation and scoring items of sustainability-related indicators into the supplier accreditation review and the 5A review and performance evaluation of suppliers, including: the proportion of green electricity used by suppliers, the suppliers' sustainable work systems and plans, the compliance of sustainable indicators for vehicle parts, etc. In addition, we have formulated green procurement guidelines and green procurement management systems, established green procurement selection files for suppliers, proposed green evaluation standards for parts, and encouraged suppliers to sign the Geely Supplier Confirmation Letter on Implementation of Sustainable Development. We encourage suppliers to use environmentally friendly materials or recycled materials, and push suppliers to establish their own green procurement mechanism. More information on supplier decarbonisation and green procurement can be found in "7.1 Sustainable Supply Chain".

Power batteries are key vehicle parts with great potential for carbon reduction. We urge key power battery suppliers to implement a series of carbon reduction plans as follows to promote the life-cycle carbon emission management of power batteries:

- ⊕ Establish product carbon footprint information collection and accounting capabilities;
- ⊕ Use low-carbon aluminum, recycled aluminum and steel to reduce material emissions;
- ⊕ Use recycled ternary cathode materials for battery cell;
- ⊕ Recycle the metal and non-metal materials of battery housings;
- ⊕ Increase the proportion of non-fossil energy used in battery cell production.



Emission reduction of battery materials by VREMT

Aluminum is a key raw material necessary for the products produced by VREMT responsible for power battery production under ZEEKR. If the low-carbon and green supply of aluminum can be achieved, it will bring significant effects to the carbon emission reduction of the value chain of VREMT. In terms of green electricity in aluminum production, the requirements put forward by VREMT to suppliers are as follows:

- 1) Using 100% green electricity during the production of aluminum ingots (i.e. pure aluminum ingots produced during the electrolytic aluminum process), and the carbon footprint of aluminum ingots (cradle to gate) meets the requirements of $\leq 5 \text{ kgCO}_2\text{e/kg}$, and issuing a third-party certified carbon footprint report and certification report of aluminum ingots;
- 2) By 2025, 100% of green electricity will be used for production in all new projects, and a carbon emission compliance report for 2025 will be provided by the end of 2024.

In terms of the use of recycled materials, VREMT has put forward the requirements for the recycled aluminum used in parts and components that “the amount of green-power aluminum used should reach 18% of body materials”.

While clearly setting out low-carbon requirements to suppliers, the Group actively guides and empowers supply chain carbon emission reduction. In the future, we will seek green cooperation opportunities with steel and aluminum plants to reduce carbon in the supply chain.

3.3.3.2 Low-carbon Packaging and Logistics

During the Reporting Period, the Group's Scope 3 - Transportation and Distribution emissions were 1,116,465 tCO₂e (2022: 863,225 tCO₂e). The increase was mainly because the overall increase in the sales volume of the Group's automobiles during the Reporting Period, which led to an increase in emissions from logistics and distribution.

Green packaging

We encourage suppliers to use recycled packaging materials and put forward two green routes – “All packaging materials used within a transportation range of 1,000 kilometers will be recyclable, and shared packaging will be used for transportation beyond the 1,000 kilometer range” – to reduce the use of disposable packaging materials. In order to further increase the proportion of recycled packaging, we cooperated with a leading domestic recyclable packaging solution company, adopting the model of rental instead of sales, switching both the existing disposable packaging and new demand recycled packaging into a rental model, and further implementing the long-term development strategic goal of comprehensive recycling packaging. The recyclable packaging can be shared and used within a certain region through the rental recyclable packaging, reducing the empty return distance of the recyclable packaging and achieving carbon reduction in terms of empty return transportation. By the end of 2023, shared recyclable packaging accounted for approximately 5.28% of the total volume of recycled packaging.

With Geely Boyue L as a pilot project, we conducted overall data analysis and supplier packaging cost evaluation on Geely Boyue L, and the feasibility analysis on switching to shared recyclable packaging, and business negotiations with component suppliers in batches. During the Reporting Period, such project has promoted 5 parts and components suppliers to switch to shared recyclable packaging, involving packaging of 9 parts and components.

Geely has achieved 100% adoption of recyclable packaging for its own vehicle packaging. In 2023, 10,341 tons of disposable packaging materials were used for vehicles, equivalent to 6.13 kg per vehicle. The recyclable packaging covered 79.21% of the automotive parts and components, and more than 90% of the suppliers used recyclable packaging materials. The remaining disposable packaging achieved 100% recycling and reuse, and the recycling rate of all packaging materials at each plant was 100%.

Green Logistics

We have launched the construction of a digital logistics platform to track and record the carbon emission in all the logistics process. We will optimize the emission in the logistics process by monitoring the carbon emission data, developing railway-waterway combined transportation and building transfer warehouses to achieve digital and diversified green logistics and transportation.

We continued to optimize the transportation structure, continuously expanded railway-waterway transportation routes, and ensured the transportation through various transportation methods. At the same time, the optimization of the ordering mode can reduce the idle time for settlement of orders, reduce the pressure of highway ports, improve the delivery efficiency and reduce the transit time. We have developed railway-waterway combined transportation, continuously optimized the transportation structure, and increased the proportion of railway-waterway transportation in distribution. During the Reporting Period, a total of 404,112 tons of carbon emissions were reduced by railway transportation, and a total of 53,746 tons of carbon emissions were reduced by waterway transportation. At the same time, we strengthened the replacement of NEVs and gradually invested in new energy trucks. During the Reporting Period, we invested a total of 29 NEVs in spare parts transportation, reducing carbon emissions by 1,176 tons.

3.4 Climate-related Disclosures

Since 2019 financial year, the Group has disclosed information related to climate change from governance, strategy, risk management, as well as metrics and targets with reference to the recommendations of the Task Force on Climate-Related Financial Disclosures ("TCFD"), and continued to strengthen relevant disclosure. In January 2023, the Group became a supporter of TCFD.

In October 2023, the TCFD announced that it had fulfilled its remit and disbanded. The Financial Stability Board has asked the International Financial Reporting Standards Foundation to take over the oversight of progress on climate-related disclosure.

During the Reporting Period, IFRS S2 was formally released and HKEx published a consultation paper on "Enhancing Climate-Related Disclosure under the Environmental, Social and Governance Framework" based on the relevant content, to which the Group has made reference for disclosure.

3.4.1 Governance

The Group has established an ESG governance framework to address sustainability-related (including: climate change-related) risks and opportunities. Please refer to "2.2 ESG Governance" for details.

The Sustainability Committee is responsible for addressing climate change:

- ⊕ Reviewing strategy, action plans and key policies in addressing climate change;
- ⊕ Reviewing climate-related risks and opportunities and providing recommendations to the Board;
- ⊕ Monitoring the implementation of measures and resource allocation on climate change;
- ⊕ Evaluating the progress and performance of climate-related work.

The Sustainability Committee has established an ESG Department which reports to the Sustainability Committee at least once a year, and is responsible for:

- ⊕ Analyzing climate change-related political and industrial trends, and benchmarking peer performance in addressing climate change;
- ⊕ Assisting the Sustainability Committee to promote and supervise the efforts of various departments to respond to climate change;
- ⊕ Supervising the progress of climate change related work by management and ESG related departments;
- ⊕ Regularly communicating with stakeholders to learn about their expectations and opinions on climate change;
- ⊕ Identifying and assessing the climate-related risks and opportunities.

During the Reporting Period, the Sustainability Committee held 4 meetings to discuss climate change. The main issues discussed included:

- ⊕ Key expectations and suggestions of investors and other stakeholders on climate change;
- ⊕ Discussion and review of the "climate neutrality" strategy, carbon reduction target setting and tracking, carbon emission status analysis, industry benchmarking analysis, specific carbon reduction measures plans and their feasibility analysis;
- ⊕ Signing up to become a TCFD supporter;
- ⊕ Confirming that an independent third-party team conducts external verification of climate and environmental data.

In April 2024, the Sustainability Committee held 1 meeting to discuss the following climate change issues:

- ⊕ Progress towards the 2025 carbon reduction target;
- ⊕ Additional requirements of the SBTi Interim 1.5°C Pathway Emissions Target Setting Guidance;
- ⊕ Implementation plan for 1.5°C emission reduction pathways in line with the Paris Agreement;
- ⊕ Enhancement measures for supply chain carbon reduction;
- ⊕ IFRS S2 and the consultation paper "Enhancement of Climate-Related Disclosures under the Environmental, Social and Governance Framework".

The key management and the ESG Working Group also attended the aforementioned meetings to report the Group's work progress on climate change and assessment on risks and opportunities, the Sustainability Committee supervised the report and made suggestions for improvement. After the meeting, the Sustainability Committee also provided information on major issues, risks and opportunities of climate change and relevant recommendations to the Board.

The Audit Committee is responsible for reviewing the risk management and internal control of the Group and providing relevant opinions to the Board. ESG risks such as climate change are included in the risk map used by the Audit Committee to assess the overall risk management, and their related importance is ranked based on the likelihood and impact together with financial, operational, compliance and other risks.

The Board takes into account the relevant opinions of the Sustainability Committee and the Audit Committee on climate change in the formulation of the Group's strategies, business plans, etc. and in monitoring overall risk management.

At the operational level, the Group established a dedicated carbon management department that reports climate related work to the management at least twice a year (including the top management in charge of operations, and person in charge of strategic planning and product planning), and is responsible for:

- ⊕ Assisting management and collaborating with relevant business departments to identify, evaluate and manage climate-related risks and opportunities;
- ⊕ Planning climate neutrality strategy, establishing carbon neutrality target setting, work implementation planning and management indicator system;
- ⊕ Promoting and supervising business departments and partners to fulfill carbon neutrality, and providing carbon management training;
- ⊕ Being responsible for delineating ESG mid- and long-term development goals and ESG annual targets, guiding, supervising, and promoting the implementation of business units of the Group.

Based on the information reported by the dedicated carbon management department and other operational information, the management is responsible for:

- ⊕ A Evaluating the climate-related risks and opportunities, considers the relevant impacts when making business plans and major decisions;
- ⊕ Ensuring that sufficient resources are put into the climate change countermeasures;
- ⊕ Regularly reporting major climate-related issues to the Sustainability Committee.

During the Reporting Period, the Group carried out multi-dimensional training programs for personnel and partners in various departments responsible for addressing climate change, including annual Pathfinder program training for carbon management talents, as well as green factories, energy management training for suppliers.

3.4.2 Strategy

The Group identified climate-related risks and opportunities, and considered them in overall risk management, strategy formulation and financial planning.

In identifying climate-related risks and opportunities, we made reference to the factors including, but not limited to, the following for classification on time-horizons:

- ⊕ National carbon reduction targets of China and other major markets
- ⊕ Impact of regulations and policies on the industry
- ⊕ Industry development and technological evolution cycle
- ⊕ Changes in national energy structures
- ⊕ Useful life of the Group's major assets
- ⊕ IFRS S2 Climate-related Disclosures: Industry-based disclosure requirements Volume B63—Automobiles

Based on the above, the time-horizons of climate-related risks and opportunities are defined as:

Short term: Within 5 years; Medium term: 5-15 years; Long term: Over 15 years.

Climate-related risks are mainly divided into transition risks and physical risks. Transition risks result from the global transition to a climate-resilient low-carbon economy which include policy and legal, technology, market, and reputation risks. Physical risks result from extreme weather events and rising global average temperature which include acute risks (typhoons, floods) and chronic risks (global temperature rise, sea level rise).

By communicating with different business departments and industry experts, we analyzed the probability of occurrence of different risks and opportunities and their impact under short-term, medium-term and long-term time horizons, and identified the potential financial impact of each risk and opportunity.

Climate-related risks and potential impacts:

Type	Climate-related Risks	Risk Description	Current and Expected Impacts on Business Model and Value Chain	Potential Financial Impact*	Risk Management and Countermeasures
Transition risks	Policy and legal	Stringent market / product regulations S M L	<ul style="list-style-type: none">- Tightening of pollution emission standards for motor vehicles and increasing demand for product technology- Changes in the industries covered by the national carbon market, increasing the control risks of carbon emission- Changes in the amount of NEV subsidy intensifying market competition	<ul style="list-style-type: none">- Increase in R&D costs (e.g. clean energy technologies); the non-capitalizable R&D costs of RMB3.36 billion and the capitalized product R&D costs of RMB10.7 billion (totaling approximately RMB14.06 billion) in 2023 were mainly related to the development of new energy intelligent vehicles- Increasing production and operating costs (such as the introduction of energy-saving equipment and the use of renewable energy)- Changes in market share affecting sales revenue	<ul style="list-style-type: none">- Continuously monitor the development of domestic policies and overseas regulations, and set up a joint working group to assess their impacts and plan responses in advance- Formulate climate strategies, carbon reduction targets and related measures to strengthen the management of climate change "3.1 Climate Strategy and Targets"- Track the carbon footprint of products and implement life-cycle carbon reduction measures ("3.2 Lifecycle Carbon Management" and "3.3 Implementation of Carbon Reduction Action")
		International green trade barriers S M	<ul style="list-style-type: none">- Regulations and policy requirements such as the EU Carbon Border Adjustment Mechanism (CBAM) , the EU Batteries Regulation, and the Draft Corporate Sustainability Due Diligence Directive (CSDDD) and increasing demand for compliance in exporting products	<ul style="list-style-type: none">- Increasing trade compliance costs (e.g. carbon price, carbon taxes)- Increasing accounting fees related to product carbon footprint- The cost of additional CBAM certificates, penalties, or loss of revenue from exported products if the requirements are not met	<ul style="list-style-type: none">- Provide a wider range of new energy vehicle options to meet more stringent emission standards ("3.3.1.1 New Energy Strategy")- Strengthen supply chain ESG performance and assessment management, especially for suppliers involved in overseas exports and suppliers of key new energy components, to ensure compliance with export compliance requirements ("7.1 Sustainable Supply Chain")
	Technology	R&D of new technologies S M L	<ul style="list-style-type: none">- More low-carbon technology inputs needed upfront- Slower-than-expected progress in early-stage technology development, leading to delays in product launches	<ul style="list-style-type: none">- Increasing R&D investment- Delaying expected sales revenue, affecting cash flow and profits	<ul style="list-style-type: none">- Develop new models based on new energy architecture to reduce development time and costs, and actively explore low-carbon technologies based on a variety of alternative fuels ("3.3.1.2 New Energy Technologies")
		Product substitution S M	<ul style="list-style-type: none">- Transition to new energy vehicles leading to the gradual phasing out of production lines and technologies related to fuel vehicles	<ul style="list-style-type: none">- Asset revaluation or impairment	<ul style="list-style-type: none">- Adjust the production lines in a targeted manner and implement the factory upgrade plans
	Market	Rising material costs M L	<ul style="list-style-type: none">- Tight supply of specific raw materials related to new energy, which may lead to supply chain shortages- Tight supply of low-carbon materials, which may affect product production plans- Low willingness of suppliers to reduce carbon emissions, resulting in slow or unachievable emission reductions at the raw material end	<ul style="list-style-type: none">- Due to material shortages, price increases may occur, resulting in increased production and operating costs- Carbon reduction costs for suppliers and raw material suppliers may be transformed into increased procurement costs, leading to increased production and operating costs- Finding alternative raw materials or suppliers, which results in additional costs	<ul style="list-style-type: none">- Improve supplier ESG management mechanism, and accelerate green supply chain transformation ("3.3.3 Carbon Reduction in Supply Chain")- Launch ESG training for suppliers and set carbon reduction requirements for Tier-1 key suppliers ("3.3.3.1 Low-carbon Procurement")- Participate in collaborative research and development of low carbon materials ("3.3.3.1 Low-carbon Procurement")

S Short term risk M Medium term risk L Long term risk

* : Potential financial impact primarily reflects the expected impact of the risks and opportunities associated with climate change. Certain impacts are presented with relevant financial information for the current period.

Type	Climate-related Risks	Risk Description	Current and Expected Impacts on Business Model and Value Chain	Potential Financial Impact*	Risk Management and Countermeasures
Transition risks	Market	Market demand M L	- Changes in consumer preferences, resulting in lower demand for a certain type of product	- Impact on market share, leading to a decrease in product sales revenue	- Each brand has planned different types of diversified NEV products and continues to improve product performance to meet different needs of consumers. ("3.3.1.1 New Energy Strategy")
	Reputation	Industry reputation S M	- Reputation being affected if carbon reduction targets are not achieved as planned	- Being questioned and pressured by investors, affecting stock prices and financing capabilities	- While meeting the requirements of relevant laws and regulations, we take carbon emission reduction measures to promote target progress - Develop a decarbonization path in line with the 1.5℃ pathway of the Paris Agreement - Join the extended producer responsibility pilot project to promote the development of circular economy such as recycled vehicles, recycled parts, and recycled materials
		Just transition S M	- The new energy transition causing some employees to lose their jobs due to technological obsolescence - Suppliers and other partners losing business cooperation opportunities due to technology obsolescence, insufficient resources, etc.	- Increasing operating costs from training and recruitment expenses - Employees not adapting to new technologies, leading to a decrease in production efficiency, affecting production and sales, and lowering sales revenue - Suppliers failing to adapt to the development of new energy business in a timely manner, leading to supply chain instability or disruption, affecting production and delivery, lowering sales revenue and increasing other costs	- Provide employees with training and job rotation opportunities to enable them to acquire relevant skills and knowledge to adapt to the new energy transformation ("8.5.2 Just Transition") - Seek low-carbon transformation business opportunities for internal combustion engine business, continue employees' employment and business opportunities for suppliers, and at the same time contribute more diversified low-carbon hybrid technology and synthetic fuel application solutions ("3.3.1.2 New Energy Technology") - Provide fair resource sharing and knowledge sharing to partners, and work together to transform to new energy business ("3.3.3 Carbon Reduction in Supply Chain")
Physical risks	Acute	Extreme weather events M L	- Increasingly severe extreme weather events such as typhoons, hurricanes or floods may cause supply chain disruptions and product production delays	- Damage to assets that cannot be used or need to be repaired and replaced, resulting in a decrease in net assets and an increase in production and operating costs - Production disruptions and delays, resulting in decreased sales revenue - Increased insurance and claims costs - Climate resilience measures, resulting in increased operating costs	- Actively take preventive measures and conduct regular risk assessments, and establish prevention plans based on historical data of natural disasters in each production base - Jointly take carbon reduction actions with upstream and downstream partners, establish cooperation mechanisms, and enhance the resilience of the value chain to climate change
	Chronic	Sea-level rise L	- Rising sea levels or prolonged heat waves may force companies to move coastal facilities inland, causing asset losses	- Relocation to inland requires huge capital investment, including purchasing or leasing new land, building factories, relocating equipment and labor costs, resulting in a significant increase in production and operating costs - Selling or abandoning existing real estate, resulting in asset revaluation, impairment and losses	

S Short term risk M Medium term risk L Long term risk

* : Potential financial impact primarily reflects the expected impact of the risks and opportunities associated with climate change. Certain impacts are presented with relevant financial information for the current period.

Climate-related opportunities and potential impacts:

Type	Climate-related Opportunities	Current and Expected Impacts on Business Model and Value Chain	Potential Financial Impact*	Opportunities Management and Countermeasures
Resource efficiency	<div><div>- Circular economy</div><div>- Reducing material use in production and products</div></div> <div>S M</div>	<div><div>- Utilizing recycling technology to recover and reuse materials and product process design enhancements to reduce carbon emissions from mining and production using virgin materials, while reducing the purchase of virgin materials</div><div>- Creating additional revenue streams by facilitating businesses related to the recycling and reuse of automotive products and components</div><div>- Reducing the use of materials to minimize the generation and disposal of waste and pollutants</div></div>	<div><div>- Reducing raw material procurement costs</div><div>- Reducing the impact of cost increases due to fluctuations in the purchase cost of raw materials</div><div>- Increasing revenue by generating new sources of income from the circular economy</div><div>- Reducing the cost of disposal of waste and pollutants</div></div>	<div>Refer to “4.4 Circular Economy” for details</div> <div><div>- Simplify product design to reduce use of materials</div><div>- Increase the proportion of recycled materials used in products</div><div>- Work with upstream and downstream partners and consumers to promote circular economy</div></div>
Energy sources	<div><div>- Low-emission and renewable energy in production processes</div><div>- Energy savings in the production process</div></div> <div>S M</div>	<div><div>- Reducing dependence on fossil and traditional energy sources</div><div>- Reducing greenhouse gas emissions and other environmental pollutants, having a positive impact on mitigating climate change and protecting ecosystems</div><div>- Increasing development opportunities in the clean energy technology sector</div></div>	<div><div>- Reducing own operating costs due to lower energy efficiency improvement; in 2023, energy efficiency improvement projects reduced costs by approximately RMB29.18 million, waste heat recovery projects reduced costs by RMB10.20 million, photovoltaic projects reduced costs by RMB33.92 million, and energy storage projects reduced costs by approximately RMB1.07 million.</div><div>- Reducing the impact of increased costs caused by fossil energy and its price fluctuations</div></div>	<div>Refer to “3.3.2 Carbon Reduction in Manufacturing” for details</div> <div><div>- Promote and optimize energy management systems and use smart manufacturing to save energy</div><div>- Promote production process optimization and energy-saving and carbon-reducing technological transformation</div><div>- Optimize the energy structure and increase the use of photovoltaics, energy storage, and other clean energy</div></div>
Products and services	<div><div>- Provision of low-carbon NEV products</div><div>- Provision of low-carbon mobility</div></div> <div>S M L</div>	<div><div>- Attracting and satisfying more consumers’ demand for new energy products and increasing market share</div><div>- Reducing export risks and increasing export opportunities to markets that value decarbonization</div><div>- Increasing the number of customers who operate low-carbon transportation</div><div>- Getting government support and incentives</div></div>	<div><div>- Increasing revenue from sales of low-carbon products and services; in 2023, revenue from sales of automobiles and related services amounted to RMB149,620 million, which was mainly derived from the sales of 1.31 million vehicles under the Geely brand and 119,000 vehicles under the ZEEKR brand, of which the sales of new energy vehicles under the Geely brand accounted for 21.4%, and the sales of ZEEKR were all purely electric vehicles.</div><div>- Increasing in revenue from export sales of low carbon products</div><div>- Obtaining government subsidies and other incentives to increase revenue or reduce costs</div></div>	<div>Refer to “3.3.1 Carbon Reduction in Vehicle Use” for details</div> <div><div>- Promote the transformation of new energy, plan and launch more NEV products in each brand to meet the needs of consumers in different market segments</div><div>- Promote low-carbon mobility and promote the construction of charging infrastructure and other measures</div><div>- Explore more opportunities for sustainable mobility business</div></div>
Market	<div><div>- Green financing</div></div> <div>S M</div>	<div><div>- Expanding diversified financing channels</div><div>- Attracting ESG investors</div></div>	<div><div>- Reducing financing costs and increasing cash flow from financing activities</div><div>- Obtaining ESG investment funds</div></div>	<div>Refer to “2.6 Sustainable Finance” for details</div> <div><div>- Improve information transparency by publishing a sustainable finance framework</div><div>- Obtain sustainable loans to support the R&D of BEVs and the purchase of power batteries to help develop environmentally friendly projects and achieve low-carbon transition</div></div>

For more information on how the Group addresses and plans to address the risks and opportunities associated with climate change as described above in its strategies and decisions, please refer to “3.1 Climate Strategy and Targets” and “3.3 Implementation of Carbon Reduction Action”.

S Short term risk M Medium term risk L Long term risk

* : Potential financial impact primarily reflects the expected impact of the risks and opportunities associated with climate change. Certain impacts are presented with relevant financial information for the current period.

Scenario analysis

The Paris Agreement proposes to limit the global temperature rise well below the pre-industrial level by 2°C in this century, while pursuing efforts to further limit the rise to be within 1.5°C. China initiated the goal of peaking carbon emissions before 2030 and reaching carbon neutrality before 2060. The Group is committed to achieving China's dual carbon targets and is also actively promoting the development of carbon reduction targets in line with the 1.5°C pathway of the Paris Agreement. We have, taken into account China's energy structure and the industrial characteristics and referencing to various scenario pathways provided by IPCC and IEA, explored the future impacts that Geely may suffer under the following four climate scenarios: Brown Scenario, Turquoise Scenario (well below 2°C threshold), Existing Scenario – Robust Pathway, and Aggressive Scenario – Ambitious Pathway covering two key time horizons, 2030 and 2045.

Key considerations in the scenario analysis model

Renewable/clean energy: The clean energy mixes will directly affect the carbon emissions from electricity consumption, and the mitigation of carbon emissions during the use of BEVs depends on the proportion of clean energy on the grid;

Recycled materials: Steel, aluminum, power batteries and other important raw materials are the main sources of carbon emissions in the vehicle manufacturing process;

Body performance: The energy consumption (fuel, methanol and electricity consumption) parameters in the use phase of a vehicle depend on the maturity of lightweight technology and low-energy consumption technologies;

Product mixture: Electric vehicles can greatly reduce dependence on fossil energy during the use phase and can help users better achieve lower carbon emissions;

Carbon pricing: Carbon pricing constrains and accelerates the green and low-carbon transition in the whole society while raising the cost of vehicle production;

Extreme weather: Extreme weather conditions may affect vehicle logistics and transportation and threaten multiple links such as sales in shops and manufacturing.

Major sources of carbon emissions per vehicle

More than half of the lifecycle carbon dioxide emissions from BEVs come from key raw materials such as steel and aluminum, as well as important components of power batteries. Therefore, we must consider raw materials with high carbon emissions. In this regard, it is necessary to ensure a sustainable supply chain system by improving the carbon reduction capabilities of suppliers. For example, we have set the action routes to have tier-1 key suppliers using 100% renewable electricity, and use 20% recycled steel, 30% recycled aluminum and 25% recycled rubber by 2025. Electrification and increasing the proportion of PV and other renewable electricity forms are the main carbon reduction measures for our vehicle plants. We also introduced low-carbon technologies such as energy-saving in processes and waste heat recovery in our factories. The Group still mainly sells ICE vehicles. Therefore, fuel combustion continues to be a major source of GHG emissions. We will continue to optimize our product mixture and strive to reduce the emissions in the use phase of vehicles.





Scenarios

Brown scenario (RCP8.5 scenario): The scenario is set up based on the Representative Concentration Pathway (RCP) No. 8.5 of the Intergovernmental Panel on Climate Change (IPCC). In this scenario, countries do not have policies in place to address climate change; the global population grows significantly in the future, with slow income growth, low technological innovation and other characteristics; GHG emissions and concentrations continue to grow, resulting in continued global surface warming and increased frequency of extreme weather events. The Group is likely to face more severe challenges in the future, with coastal facilities being forced to move inland and more costs incurred to prevent or deal with the impacts of extreme weather on our own development and industrial chain.

Turquoise Scenario (well below 2℃ threshold): Regardless of Geely Auto's independent measures and the industry's independent emission reduction contribution, Geely's emission forecasts for the entire life cycle of a single vehicle are based on those published by the International Energy Agency (IEA) Commitment Scenarios (APS) and plan based on the actual development factors of the enterprise. The external scenario mainly involves the identification of announced policies and measures in China, the speed of decarbonization of Chinese electricity, and the time to achieve net zero emissions by suppliers of key raw material such as steel and aluminum. We are aware that as China's current energy mix is still dominated by fossil fuels and infrastructure development is advancing, the continuation of external policies along the current pathway is the most critical factor determining our future growth potential. In addition, China has become the world's largest market for new energy vehicles, and Geely, as a top Chinese-made vehicle brand, will have more opportunities.

Existing Scenario – Robust Pathway: The Group's existing strategic targets (2025 targets) will be followed for the period by 2025; From 2025 onwards, industry leading and specific outperforming measures under a low-cost approach will be adopted together with decarbonization of major suppliers, can enhance, the targets between 2025-2045 and the forecast lifecycle carbon emissions per vehicle under this pathway. The scenario lies between APS and the Net Zero Emissions by 2050 Scenario (NZE) by IEA. We will implement effective carbon reduction measures, improve brand leadership performance and respond to the Chinese carbon neutrality vision and global emission reduction targets.

Aggressive Scenario – Ambitious Pathway: The Group's existing strategic targets (2025 targets) will be followed for the period by 2025; From 2025 onwards, industry leading and specific outperforming measures with the greater effort will be adopted together with decarbonization of key suppliers, can enhance, the targets between 2025-2045 and the forecast lifecycle carbon emissions per vehicle under this pathway. With reference to the NZE, the world will significantly increase investment in low-emission fuels. We expect that by 2045, the Group will still have a portion of emissions that will inevitably escape into the air, so cutting-edge carbon negative technologies such as Carbon Capture, Utilization and Storage (CCUS) will be the core technology means to achieve the ambitious pathway. Currently, there are main challenges such as high cost and limited application in commercialization of the CCUS technology.

Scenario analysis

Brown Scenario: ICE vehicles will continue to dominate the mainstream in the future, and the Group's GHG emissions will continue to grow continuously. However, as the world relies on fossil fuels to drive economic growth and technological progress, the resulting extreme weather and ecological changes are likely to have negative impacts on the environment.

Turquoise Scenario: Major countries in the world comprehensively fulfil climate commitments, clean electricity and electrification and other development are effectively deployed, the impact of global climate changes is relatively stable, the Group's sustainable development will be boosted by external environments, the lifecycle carbon emissions per vehicle will reach 24.43 tCO_{2e} per vehicle in 2030.

Existing Scenario – Robust Pathway: we consider adding the Group's self-initiated carbon reduction actions based on the Turquoise Scenario, such as continuing to increase the proportion of NEVs, improving the energy structure and utilizing more low-carbon materials. Under this scenario, lifecycle carbon emissions per vehicle will be reduced to 20.85 tCO_{2e} per vehicle in 2030.

Aggressive Scenario - Ambitious Pathway: Investment in clean energy and new technologies will be significantly increased in the world to reduce carbon emissions. By promoting the establishment of a sustainable supply chain system, Geely will take more measures, set more ambitious goals, turn all factories into zero-carbon factories, and optimize product mixture. However, this scenario will result in higher costs, but the life-cycle carbon emissions per vehicle will be reduced to 15.93 tCO_{2e} per vehicle in 2030.

Scenario analysis conclusion

The Group considers the result of scenario analysis to more effectively perform planning of carbon reduction approach in the formulation of our climate strategy. The analysis concluded that the Existing Scenario – Robust Pathway meets the Group's planning objectives for the future and is also in line with the published carbon reduction targets. However, we are aware that the uncertainty of changes in external scenarios has a significant impact on the future scenario pathway. We will continue to review the scenario assumptions and make them adequate to meet the challenges from multiple external scenarios.

3.4.3 Risk Management

The Group has a well-established risk management framework and related risk management processes, which also apply to climate-related risks and opportunities. Please refer to “2.4 ESG Risk and Opportunity Management” and “5.2 Risk Management and Internal Control” for details. As set out in “3.4.1 Governance”. The management mechanism of climate-related risks and opportunities follows the ESG work management structure, the Board, the Sustainability Committee, the Audit Committee, the ESG Department, the management, the Carbon Management Department and relevant business departments bear different levels of responsibilities.

The identification and assessment of climate risks and opportunities include, but not limited to, the following methods:

- (1) Collect and analyze existing and emerging regulatory requirements (e.g. automotive emission standards), climate-related regulations and laws in China, the European Union, etc.;
- (2) Research on advanced technology and technical development (e.g. new breakthroughs in battery technology);
- (3) Research on market changes (e.g. the impact of consumers’ environmental awareness on their purchasing decisions);
- (4) Analyze the impact of climate change on industry trends and the countermeasures taken by industry competitors;
- (5) Benchmark market leaders disclosure and practices on climate change;
- (6) Collect opinions and information on climate change from stakeholders such as ESG rating agencies, investors and non-governmental organizations.

Climate-related risks and opportunities are assessed in accordance with the Group's risk management framework, their significances are determined based on the likelihood and impact of the risks. When the Audit Committee reviews the overall risk management of the Group, ESG risks such as climate change will also be ranked according to the likelihood and impact with other types of risks and included in the overall risk map of the Group. Climate change has also been identified by the Group as one of the principal risk and uncertainties disclosed by the Group in the Annual Report 2023.

The management manage climate-related risks and opportunities by developing risk response strategies based on the assessed risk and opportunities significance, the complexity of the countermeasures and the required resources, as well as the climate neutrality strategy of the Group. Material risk and opportunity management and response will also be discussed during the meeting of the Sustainability Committee to obtain guidance from the Sustainability Committee. The management measures for climate change will be broken down by the dedicated carbon management department to all relevant business departments for implementation, and supervised according to the mechanism set out in “3.4.1 Governance”. For the management and response measures for material climate-related risks and opportunities, please refer to “3.4.2 Strategy”.

3.4.4 Metrics and Targets

The Group's key indicators related to climate change are as follows:

Indicator Category	Indicator	Unit	2020 (baseline)	2021	2022	2023
GHG emissions	Greenhouse gas emissions per unit sales (scope 1+2+3)	tCO ₂ e / vehicle	38.26	37.26	35.18	33.67
Transition risks	Average fuel consumption credits*	Credit	-1,234,120	-359,972	1,891,821	2,708,962
	NEV credits*	Credit	-22,584	92,938	836,077	977,903
	Corporate Average Fuel Consumption*	L /100km	6.24	6.15	5.23	4.51
	Proportion of renewable energy in vehicle plants' energy consumption	%	8.68	6.12	18.52	33.45
	Proportion of renewable electricity in vehicle plants' electricity usage	%	18.26	11.32	35.91	60.41
Climate-related opportunities	Sales volume of NEVs (BEVs + PHEVs)	vehicle	29,857	82,170	328,727	487,461

* : Represents the average fuel consumption of passenger car enterprises calculated on the basis of the double credits generated and the average fuel consumption of passenger car enterprises calculated by certain subsidiaries of Geely Holding Group holding automobile catalogs as a result of the purchase of complete vehicle kits of the Group's automobile brands, including Geely brand (including the Galaxy and Geometry series), the ZEEKR brand, the Lynk & Co brand and Livan, for final assembly, the implementation of the PRC excise tax payment and the sale of the relevant complete vehicles resulting from the relevant assemblies back to the Group for distribution. The final accounting status of the double credits for 2023 has not yet been announced, and the official results will be announced in June 2024 by the Ministry of Industry and Information Technology.

4

Nature Positive

Material Issues

- ⊕ Resource use and recycling
- ⊕ Pollution and waste management
- ⊕ Biodiversity



Pollution and waste management:

- ⊕ **100%** compliance in the treatments of air pollutants, wastewater and solid waste
- ⊕ **100%** vehicle plants with ISO 14001 external certification
- ⊕ **10 vehicle plants** rated as national "Green Factory" (2022: 9 plants)
- ⊕ **6 vehicle plants** rated as municipal "Waste-free Factory" (2022: 5 plants)
- ⊕ Intensity of industrial wastewater discharge: **1.64 tonnes/vehicle (↓ 4.1%)**
- ⊕ Intensity of hazardous waste generation at vehicle plants: **9.2 kg/vehicle (↓ 8.4%)**

Resource Use and Recycling:

- ⊕ Intensity of water consumption at vehicle plants: **2.7 tonnes/vehicle (↓ 15.4%)**
- ⊕ Industrial water recycling rate: **98.5% (↑ 0.2 percentage points)**

Circular Economy:

- ⊕ Established an automobile circular ecosystem covering circular vehicles, circular parts, circular materials, battery recycling

Biodiversity:

- ⊕ Original landscape of mountains, lakes and other ecosystems were preserved while constructing the Guizhou factory, providing habitats for 1,453 species of wildlife such as snakes, birds in the Guanshanhu area

ESG Strategy: Nature Positive



Building upon climate neutrality, the Group further explores the path of coexistence between nature, ecology, and business development. With the aim of becoming a nature-positive enterprise, we have incorporated the "nature-positive" strategic direction into our ESG strategy. We consider our dependence and impact on the natural environment in our economic development and prioritize the management of risks and opportunities in pollution and waste management, resource use and recycling, circular economy, and biodiversity. We lead the value chain in making contributions to the protection of the essential natural ecology for the future of humanity.

4.1 Natural Capital

The Group has established an ESG governance framework to address risks and opportunities related to sustainable development, including environmental management, circular economy, and natural capital (please refer to "2.2 ESG Governance"). In terms of daily management responsibilities for environmental management, the Chief Safety Officer (CSO) is the person in charge, and the subordinate Safety and Environmental Protection Department serves as the centralized management department of environmental management. It coordinates the environmental management system, sets clear targets for environmental performance and carrying out comprehensive system management, as well as supervising and assessing the completion of targets at each factory, and collaborates with departments such as R&D and production to establish standardized measures. Each production plant has also set up a safety and environmental protection department, which is responsible for the environmental management of each plant, supervising and implementing various new, reconstruction and expansion environmental projects, energy conservation and transformation of process equipment and other environmental protection and governance, and undertaking and completing the annual subdivided environmental targets issued by the Group, ensuring the implementation of environmental protection measures in daily management and production operations.

Chief Safety Officer (CSO)	⊕ As the person in charge of environmental management, the CSO oversees and manages environmental protection work, and reports the progress of environmental work to the CEO of the Group.
Safety and Environmental Protection Department	⊕ As the responsible department for environmental management of the Group, it is responsible for coordinating the construction of the environmental management system.
	⊕ It manages and supervises the Group's environmental target setting, policy formulation and implementation, risk assessment, performance evaluation, and related matters.
	⊕ It supervises the environmental management work of subordinate business units and the daily management and operations of the Group.
Safety and Environmental Protection Department of each production plant	⊕ Responsible for the environmental management of each plant, and undertakes and completes the annual subdivided environmental targets issued by the Group
	⊕ Establishes a factory environmental emergency plan and organizes emergency drills

The Group has integrated environment and nature conservation into all aspects of construction, production, and operations. We have established an environmental risk management system and promoted ecological and environmental protection work across all business areas, processes, and involving all employees. Meanwhile, we have set clear goals, formulated and implemented effective environmental management policies, actively explored ways to reduce the impact of the Group's business on the environment and nature, and scientifically monitored environmental performance to prevent risks.

The Group strictly adheres to a series of applicable environmental management regulations, such as the "Environmental Protection Law of the People's Republic of China", and other related laws and regulations (please refer to Appendix 1 for the list of laws and regulations). The Group has formulated corresponding environmental management systems in accordance with the requirements of the ISO 14001 Environmental Management System. These include a series of management procedures such as the "Environmental Factors Identification and Evaluation Procedure", the "Water Pollution Prevention and Control Management Procedures", the "Air Pollution Prevention and Control Management Procedures" and the "Solid Waste Pollution Prevention and Control Management Procedures", which standardize the management of the Group's production operations, providing a systematic approach for environmental management and ensuring the effective implementation of management measures.

We are continuously advancing the construction of the environmental management system in accordance with ISO 14001. As of the end of the Reporting Period, 100% of the Group's vehicle plants had obtained ISO 14001 certifications. In 2023, 10 plants met relevant requirements in terms of infrastructure, management systems, energy and resource inputs, and product environmental emissions, and approved by third party. These plants were included in the national "Green Factory" list published by Ministry of Industry and Information Technology¹. This achievement demonstrates our commitment to creating land-intensive, environmentally clean, waste-resource-based, and low-carbon energy factories, laying a solid foundation for green operations.

1 The 10 national-level "Green Factory" include: Vehicle plants in Chunxiao, Baoji, Zhangjiakou, Linhai, Hangzhou Bay, Yuyao, Guiyang, Xiangtan, Xi'an, and Guiyang powertrain plant.

Dependence: How Geely Auto utilizes natural capital in business activities
Impact: How Geely Auto's business model and value chain affect natural capital

Based on the preliminarily identified risks and opportunities related to the impact on and dependence on natural capital, we disclose relevant management measures and progress in various sections of this chapter:

4.2 Pollution and Waste Management	⊕ Transition risk - Policy and legal: Fines or production downtime resulting from non-compliance with existing environmental regulations, compliance costs required by emerging environmental regulations.
	⊕ Transition risk - Technology: Inadequate technology for handling pollution and waste, resulting in additional R&D investments or procurement costs for relevant equipment.
	⊕ Transition risk - Reputation: Failure to properly address the impact of pollutants on nearby ecosystems and communities, leading to reputation loss and reduced income.
4.3 Resource Use and Conservation	⊕ Physical risk - Chronic risk: Water scarcity affecting production, leading to reduced income.
	⊕ Opportunity - Resource efficiency: Streamlining product design to reduce material usage and related procurement costs, optimizing operational processes to reduce energy or other resource consumption and save related expenses.
4.4 Circular Economy	⊕ Transition risk - Policy and legal: Responsibility of automobile manufacturers for the recycling of vehicle batteries, resulting in associated recycling and disposal costs.
	⊕ Opportunity - Market: Increased environmental awareness among some consumers leads to a greater emphasis on the environmental friendliness of products. The use of recycled materials in circular cars, parts, and automotive products helps attract this consumer group. These products also have a price advantage to attract price-sensitive consumers.
	⊕ Opportunity - Resource efficiency: Utilizing circular technologies to reduce reliance on raw materials and mitigate the impact of fluctuating raw material prices such as increased procurement costs.
4.5 Biodiversity	⊕ Transition risk - Reputation: Neglecting ecological conservation impacts reputation and leads to reduced income.
	⊕ Physical risk - Chronic risk: Ecological destruction causing a decrease in biodiversity and disrupting the balance of natural resources, resulting in a shortage of certain natural resources.

The Group set metrics and targets related to natural capital, and continue to monitor and disclose our performance and progress. During the Reporting Period, in order to further improve the accuracy and reliability of environmental data, the Group engaged the Hong Kong Quality Assurance Agency (HKQAA) to conduct independent verification on key environmental data for 2023. Please refer to “Appendix 6 - Verification Statement” for more details.

4.2 Pollution and Waste Management

The Group attaches great importance to pollutant control and environmental protection, effectively eliminates all factors that may impact the environment, continues to strengthen management and optimize production processes.

During our production and operations, we strictly comply with national environmental laws and regulations. We actively implement standards for the treatment of wastewater, air pollutants and solid waste, and continue to strengthen the related management. We have established clear processes for pollution prevention and control management, set annual performance targets, and strictly monitor emissions of pollutants in accordance with pollution supervision and management measures to ensure compliance with legal requirements regarding pollutions.

Supervision and management measures of pollutions:

Establishment of Management System	⊕ Build a management system covering the design, manufacturing, installation and operation of daily environmental management and environmental protection facilities based on relevant laws and regulations on environmental and pollutant management and the ISO 14001 Environmental Management System, and formulate relevant measures for the supervision and management of pollutions
Project Management	⊕ "Three Simultaneities" of Environmental Protection : Complying with the Law of the People's Republic of China on Work Safety, during the "Three Simultaneities" of the project, the Safety and Environmental Protection Department ensures the environmental protection facilities, factories and equipment are sufficiently advanced
	⊕ Trial operation and formal operation stages of the project : During the trial operation and formal operation of a project, the Safety and Environmental Protection Department collects monthly emission data from each discharge outlet, implements online monitoring of wastewater and air pollutants, and limits the amount of pollutants in accordance with the requirements of environmental impact assessment, and sets early warning level on total amount
Evaluation and Review	⊕ The annual environmental protection assessment indicators (including environmental emergencies, environmental protection complaints, administrative penalties and the issuance of treatment documents within the specified time, etc.), and are decomposed into the company level, the factory level and the workshop team level. At the end of the year, each unit's indicator performance will be evaluated. Additionally, the expert panels will be organized twice a year to evaluate and correct the annual target and implementation process;
	⊕ Issue the environmental management evaluation standards applicable to all plants of the Group, conduct supervision evaluation and irregular unannounced reviews at least once a year (including the implementation of "Three Simultaneities" of environmental protection, pollution prevention and control, environmental monitoring, and management of pollution discharge permits). Supervise the resource and energy consumption and pollutant discharge level of plants by analyzing monthly environmental protection data, tracking and evaluating the objectives



In 2023:
Waste gas, waste water,
solid waste

100% Standardized Treatment



Exhaust, sewage, noise and
other pollutants

100% Compliance Emission Rate



Hazardous waste

100% Compliance Disposal Rate



4.2.1 Waste Management

In 2023, the Group carried out waste management planning in terms of solid waste, hazardous waste and zero landfill factories, focusing on promoting the construction of "Waste-free Factory"[^] and establishing relevant standards. We conducted self-assessment and improvements to further prevent pollution and reduce emissions. We strictly abide by national laws, regulations and relevant standards, coordinate the daily management of various types of waste, and implement solid waste reduction work.

4.2.1.1 Solid Waste Management

Solid waste of the Group mainly comes from stamping scraps, stamping scrapped parts, general industrial solid waste (packaging materials, other industrial waste), construction waste and domestic waste, etc. We have formulated a solid waste management mechanism and are committed to improving the utilization efficiency of raw materials and reducing the amount of solid waste generated. Meanwhile, we have set a target for 2025 regarding the number of "Zero Landfill Factory" certifications, reducing solid waste from the source and utilizing resources to minimize landfilling. We have been developing a factory model that minimizes environmental impact, and strive to achieve minimum solid waste generation, full utilization of resources, and safe disposal.

Solid waste management measures:

Industrial Solid Waste	Collect, transfer and process solid waste in accordance with relevant laws and regulations
	⊕ Industrial waste with no residual value: hand over to qualified third parties for disposal
	⊕ Industrial waste with residual value: recycle or sell them for comprehensive utilization
Construction Waste	⊕ Measures such as optimization of construction plans, integration of permanent and temporary structures or facilities, reuse of turnover materials, and construction process control to reduce the generation of construction waste
Domestic Waste	⊕ Follow the principle of domestic solid waste reduction, and arrange waste separation and collection facilities to maximize recycling
	⊕ Encourage employees to take only what they can consume, reduce the generation of food waste, and sort food waste

[^] Refers to the industrial enterprises that take measures to reduce the source amount, resource utilization and harmless disposal of solid waste, minimize the amount of landfill, reduce the impact of solid waste on the environment, and promote the formation of green development, green production and lifestyle.



Adopting the "integration of permanent and temporary structures or facilities" to reduce the construction waste generation

In the process of construction projects, Geely Auto adopts the "integration of permanent and temporary structures or facilities" green construction technique, where permanent structures are planned and put into use ahead of time. This approach aims to achieve cost reduction, efficiency improvement, and resource conservation in construction, while minimizing the environmental impact caused by construction activities.

This has been adopted in the construction of ZEEKR factory. By constructing the temporary parking lot within the area of the formal parking lot and using the formal parking lot for material storage or temporary building purposes, the need for temporary construction demolition is reduced, thereby minimizing waste generation.

During the Reporting Period, we further improved solid waste management measures and actively explored the resource utilization of waste.

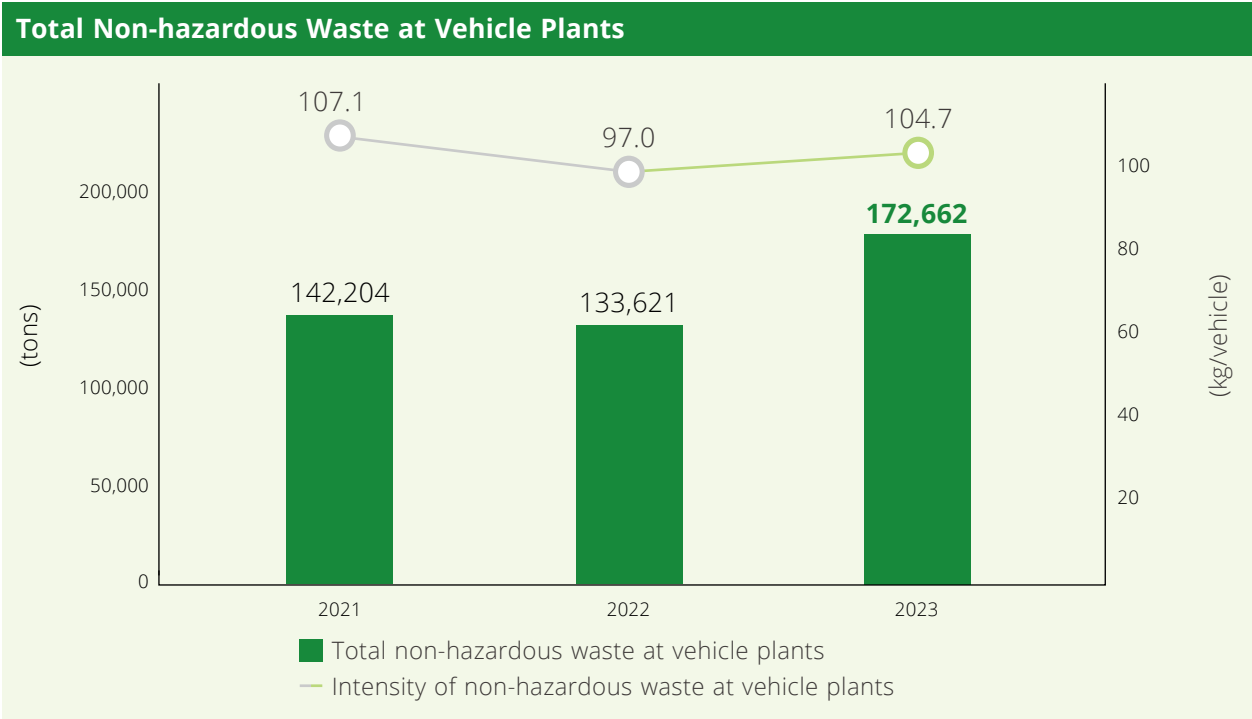
Solid waste management measures:


- ⊕ Collect, store, transport, sort, utilize, dispose of solid waste, with a focus on collecting and recycling the renewable waste;
- ⊕ Set up solid waste storage site identification signs in accordance with the "Environmental Protection Round Mark" (GB15562.2-1995), and ensure that unavoidable waste is properly managed;
- ⊕ Regularly evaluate the solid waste management of plants and include it into annual appraisal;
- ⊕ Verify the qualification and technical capability of the entrusted party of pollution prevention, and specify the pollution prevention requirements in the contract
- ⊕ Set up waste sorting bins at office, and set up storage place for waste newspapers, cardboard, etc., which are collected regularly by dedicated personnel
- ⊕ Conduct training on the Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution to ensure employees understand relevant laws, regulations and management systems.

Meanwhile, we have established a solid waste management evaluation system to include the ability of factories and suppliers to manage solid waste in the assessment, and monitor the entire process of solid waste from procurement to production and disposal. The disposal process of Geely Auto's pollution waste disposal process includes comprehensive utilization, incineration, and recycling.

Factory Solid Waste Management Evaluation	⊕ Conducting semi-annual and annual evaluations of the factory's solid waste management capabilities. This includes evaluating various dimensions such as waste reduction targets, waste reduction methods, and implementation status, with the scores included in the overall performance assessment.
Supplier Solid Waste Management Evaluation	⊕ Conducting quarterly evaluations of solid waste disposal suppliers, with each manufacturing plant scoring the suppliers based on factors such as service speed, personnel availability, documentation status, and disposal methods.

During the Reporting Period, the Group achieved a 100% treatment rate for solid waste. In order to ensure that no solid waste is landfilled during the construction process, the Zhangjiakou vehicle plant transferred domestic waste to local incineration powerplants in 2023, and other waste metals were recycled or comprehensively utilized, such that solid waste are detoxified or recycled.





In 2023, the non-hazardous waste generated per vehicle at vehicle plants was **104.74 kg/vehicle** (2022: 97.05 kg/vehicle), with an **increase of 7.9%** compared to 2022.

Note: In 2023, a total of 16 vehicle plants were included in the production of Geely brands, ZEEKR and Lynk & Co. (2021, 2022 : 17). Compared to 2022, the scope in 2023 does not include Hangzhou Bay Factory 1.

The main reasons for the increase in non-hazardous waste generation in 2023 were the Group's sales volume growth and the increase in OEM products. The total sales volume used to calculate the intensity is 1,648,515 vehicles, excluding Livan (2022: 1,376,848 vehicles).

Data for 2022 has been updated after recalculation.

4.2.1.2 Hazardous Waste Management

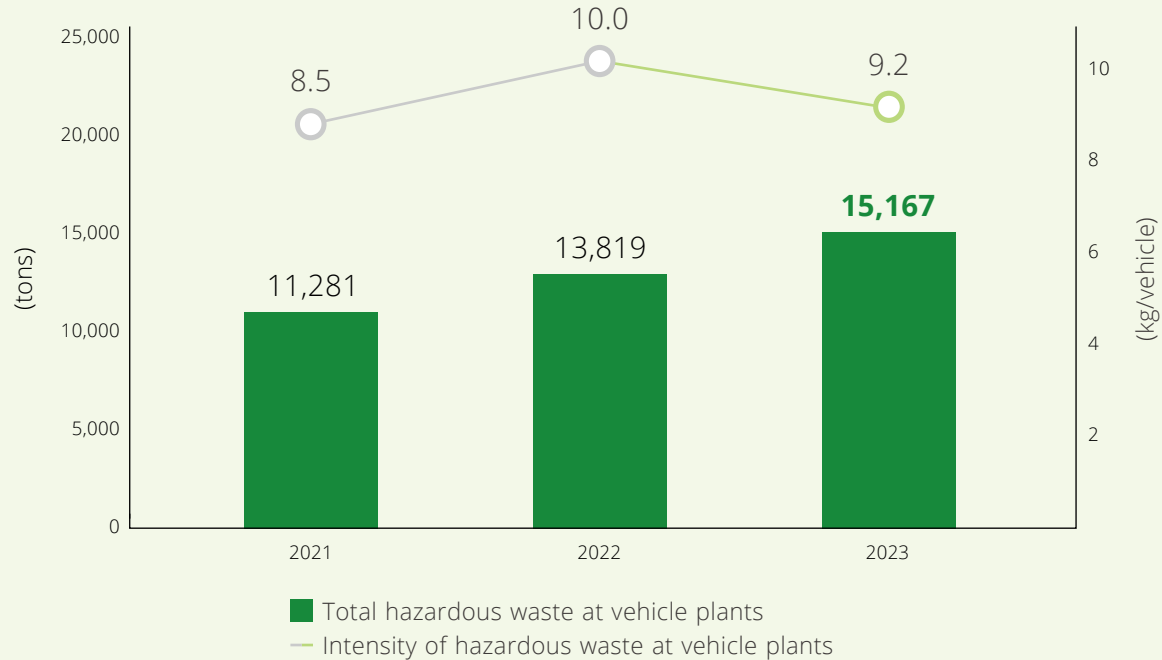
The Group's hazardous waste primarily consists of more than ten types, including waste oil, waste plastic buckets, waste paint, and sludge. We adhere to national laws and regulations for centralized management of hazardous waste and continuously improve our hazardous waste management mechanisms.

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Geely Auto's hazardous waste management measures:

- ⊕ Formulate a management plan of hazardous waste and put it on record according to the requirements of the local environmental protection bureau
- ⊕ Expand the scope of hazardous waste management, strengthen the management of wastes that are not included in the Directory of National Hazardous Wastes, such as water-based paint contaminants and water-based solvents
- ⊕ Set up special hazardous waste warehouses to store sorted hazardous waste in segregated areas
- ⊕ Set up identification signs, in accordance with relevant regulations, for the containers and packaging of hazardous waste, as well as facilities and locations for the collection, storage, transportation, utilization, and disposal of hazardous waste
- ⊕ Address the risk of transportation leakage by using leak-proof containers to ensure the timely collection of liquid hazardous waste
- ⊕ Dispose of the hazardous waste in the vehicle dismantling yard and the paint shop in time to reduce the occurrence of soil or water pollution incidents
- ⊕ Entrust qualified third parties with the external disposal of hazardous waste; conduct centralized bidding and procurement of hazardous waste, examine the qualifications of entrusting parties and suppliers, and conduct on-site examination of suppliers' on-site disposal capabilities and disposal methods

Total Hazardous Waste at Vehicle Plants



In 2023:
the hazardous waste generated per vehicle at vehicle plants was **9.2 kg/vehicle** (2022: 10.04 kg/vehicle), with a **decrease of 8.4%** compared to 2022.

Note: In 2023, a total of 16 vehicle plants were included in the production of Geely brands, ZEEKR and Lynk & Co. (2021, 2022 : 17). Compared to 2022, the scope in 2023 does not include Hangzhou Bay Factory 1.

The main reasons for the increase in hazardous waste generation in 2023 were the Group's sales volume growth and the increase in OEM products. The total sales volume used to calculate the intensity is 1,648,515 vehicles, excluding Livan (2022: 1,376,848 vehicles).

Under the voluntary expansion on the scope of hazardous waste statistics by the Group, the data for 2022 and 2023 includes water-based solvents from vehicle plants, which are not listed on the National Hazardous Waste Inventory.

Data for 2022 has been updated after recalculation.

4.2.1.3 Management of Hazardous Chemicals

The Group's hazardous chemicals mainly come from hazardous chemicals generated during laboratory testing. To continuously improve the Group's capability in hazardous chemical management, we clarify the functional responsibilities of each department and refine the requirements for chemical management in various stages, including procurement, transportation, storage, usage, and disposal. Regular inspections are conducted to assess the implementation of the system and report any necessary improvements. Additionally, regular drills are conducted for chemical leakage incidents to enhance employees' emergency management capabilities. In accordance with national requirements, strict supervision is implemented throughout the lifecycle, including application, procurement, usage, storage, and disposal of precursor chemicals and explosive materials, to ensure the prevention of environmental emergencies. In 2023, Geely Auto did not experience any environmental pollution incidents caused by chemical leaks.

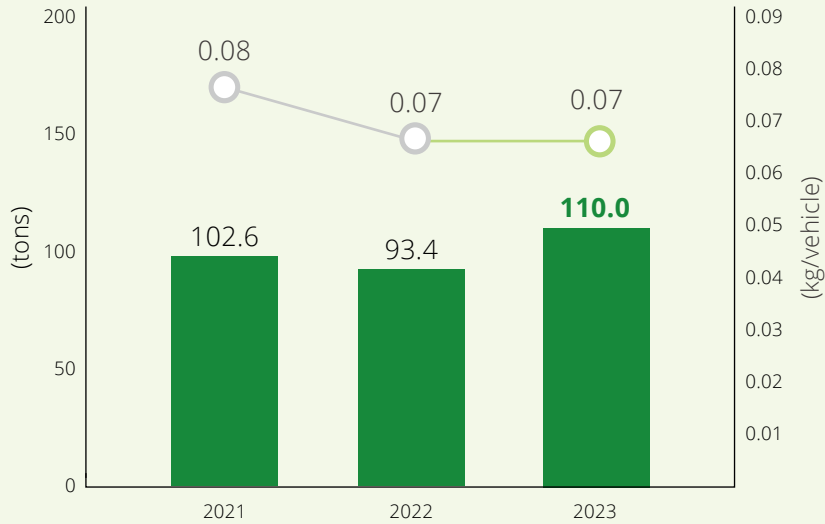
4.2.2 Management of Emissions

The Group's emissions of nitrogen oxides (NO_x), sulfur dioxide (SO₂), non-methane hydrocarbons (NMHC), and other air pollutants mainly come from the spraying and drying emissions in the painting shop during the vehicle manufacturing process. We are committed to reducing the impact of emissions generated during the production process on the surrounding environment, and actively carry out emission monitoring and control measures. Through various management and technical means, we improve the control of the production process and ensure compliance and control of emissions.

Main measures for the management of emissions:

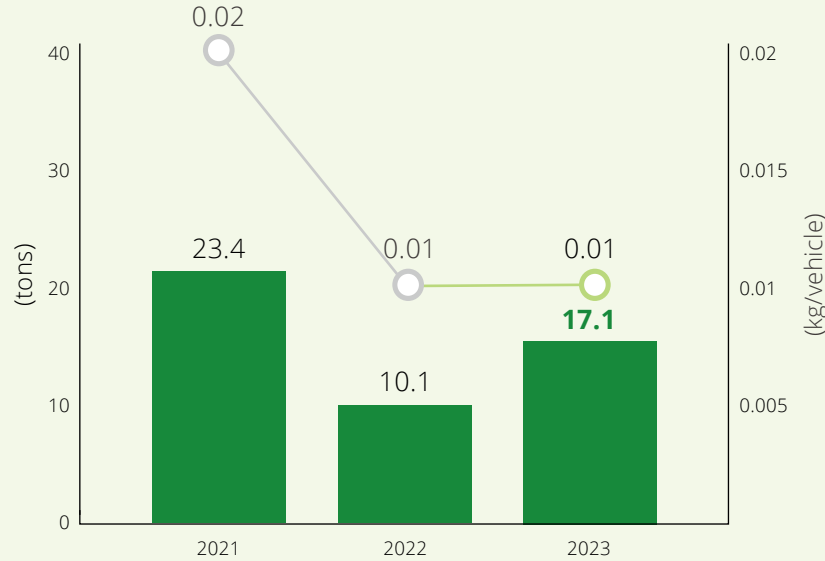
Identification of Emission Impacts	⊕ Identify the pollution sources such as nitrogen oxides, sulfur dioxide, non-methane total hydrocarbons and other air pollutants from operational activities and the impact on the surrounding environment
Advanced Processes and Equipment	⊕ Adopt industry-leading processes and technologies to reduce emissions and enhance cleaning efficiency
	⊕ Set up centralized absorption and desorption + catalytic cracking equipment for VOCs treatment to meet the emission standards
	⊕ Introduce dry spray chamber and wind circulation technology in the paint processes and effectively reduce emissions by 70%
	⊕ Use fully automated spraying and water-based paints in new projects to reduce VOCs emissions
	⊕ Reduce NO _x emissions by using low-nitrogen combustion equipment
	⊕ Introduce the regenerative thermal oxidizer (RTO) for centralized treatment of VOCs from various painting lines, achieving a VOCs removal efficiency of over 90%
	⊕ Implement residue heat recovery energy-saving project
Management Measures	⊕ Optimize the energy management system to convert the heat from emissions into usable thermal energy, resulting in annual cost savings of RMB3,350,000
	⊕ Hang sign boards such as operation procedures for job post and process flow chart of pollution control facilities in conspicuous positions in emission treatment facilities
	⊕ Measure, record and report the emissions and reduction of major pollutants, and analyze the data to formulate countermeasures
	⊕ Implement refined management of material storage, transportation, handling, and production processes to reduce the emissions of unorganized pollutants
Regular Inspection	⊕ Conduct regular inspections to ensure the condition and proper operation of pollution control facilities
Compliant Emissions	⊕ Emit pollutants in compliance with laws and regulations after the measurement

Nitrogen Oxides (NOx) Emissions at Vehicle Plants



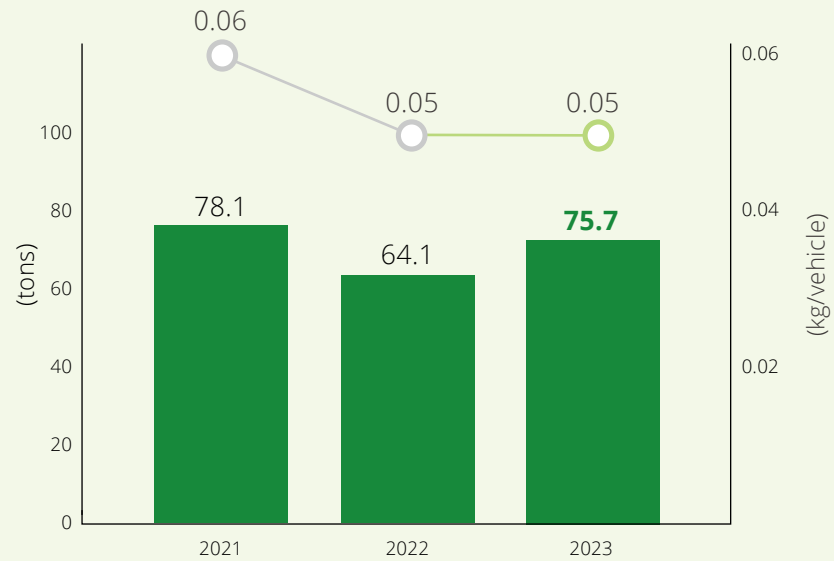
■ Nitrogen oxides (NO_x) emissions at vehicle plants
— Intensity of nitrogen oxides (NO_x) emissions at vehicle plants

Sulfur Dioxide (SO₂) Emissions at Vehicle Plants



■ Sulfur dioxide (SO₂) emissions at vehicle plants
— Intensity of sulfur dioxide (SO₂) emissions at vehicle plants

Non-methane hydrocarbons (NMHC) Emissions at Vehicle Plants



■ Non-methane hydrocarbons (NMHC) emissions at vehicle plants
— Intensity of non-methane hydrocarbons (NMHC) emissions at vehicle plants

4.2.3 Wastewater Discharge and Management

The Group's wastewater mainly comes from painting and water test. We consider the potential impact of wastewater discharge on the surrounding environment and continuously improve our wastewater treatment and management measures. The production wastewater is centrally treated within the factory, and the water quality meets the standards for greening purposes before being reused within the park. The remaining treated water is discharged to the municipal wastewater treatment plant for centralized treatment. After meeting the Class I Grade A standard of the "Pollutant Discharge Standards for Urban Sewage Treatment Plants," it is discharged into the sea.

Note: In 2023, a total of 16 vehicle plants were included in the production of Geely brands, ZEEKR and Lynk & Co. (2021, 2022 : 17). Compared to 2022, the scope in 2023 does not include Hangzhou Bay Factory 1.

The increase in nitrogen oxides (NO_x), sulphur dioxide (SO₂) and non-methane hydrocarbons (NMHC) in 2023 were mainly due to the Group's sales volume growth and the increase in OEM products. The total sales volume used to calculate the intensity is 1,648,515 vehicles, excluding Livan (2022: 1,376,848 vehicles).

The data for 2022 sulfur dioxide (SO₂) and non-methane total hydrocarbons (NMHC) have been updated after recalculation.

Wastewater discharge and management measures:

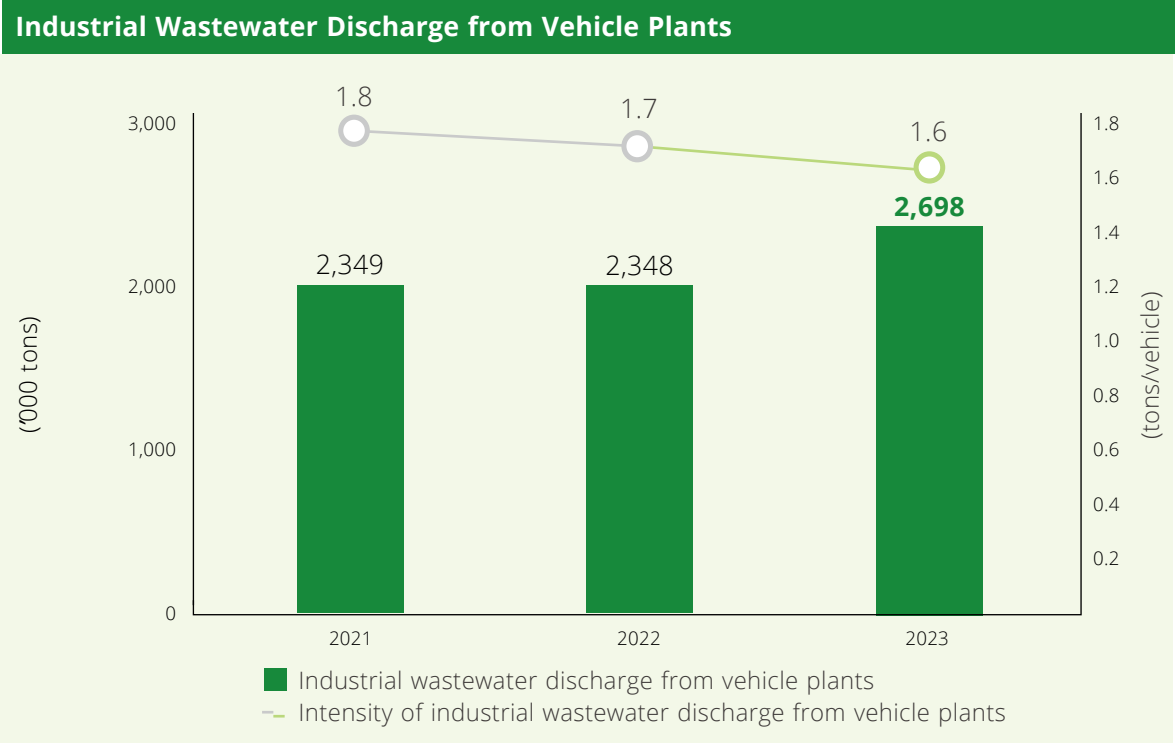
Treatment According to	⊕ Strictly implement separate collection of production wastewater and domestic wastewater and rainwater. Utilize a pipeline system that facilitates wastewater differentiation and transfer, achieving separated flows of clean water, rainwater and wastewater;
Water Qualities	⊕ Design wastewater recycling systems based on maximum resource utilization efficiency. Implement full recovery and reuse of phosphorus-containing wastewater to reduce pollutant discharge;
	⊕ Build reclaimed water recycling facilities to recycle reclaimed water discharged from the wastewater station of the plant, and add leftover recycling facilities to recover pure water.
Collection of Production Wastewater by Dedicated Pipes	⊕ Collect and transfer wastewater generated from production processes with dedicated pipes for inspection and maintenance purposes. Use corrosion-resistant pumps for wastewater transfer to avoid leakage;
	⊕ Use different color codes to mark collection pipes for different types of wastewater, facilitating inspection for pipe damage;
	⊕ Use exposed pipes or overhead pipes to discharge the production wastewater containing Class I pollutants (nickel), indicating the pollutants contained and the flowing direction.
Safeguards in Facilities	⊕ Adopt epoxy floor for the production areas, warehouses, auxiliary production facilities, and wastewater treatment unit. Ensure necessary anti-corrosion, anti-leakage measures for the vehicle body pre-treatment area, petroleum and chemicals warehouse, hazardous waste warehouse, and sewage station to prevent chemical contamination of groundwater and soil;
	⊕ Implement groundwater sampling and monitoring within the plant.
Compliance Discharge	⊕ Set up standardized sewage discharge outlets, and install online monitoring equipment to monitor sewage quality in real time;
	⊕ In the event of sudden environmental pollution incidents, the wastewater affected will be connected to the emergency pool and be tested after the event is handled. This affected wastewater will be treated and only discharged after meeting the required standards.

Carrying out water-based solvent disposal projects to improve hazardous waste disposal efficiency

The large amount of wastewater generated in automobile painting shops includes water-based solvents used for cleaning spray guns and transporting paint through pipelines. These water-based solvents mainly contain complex components such as paint, organic solvents, surfactants and curing agents. Geely Auto is committed to proper disposal of wastewater and launched the self-utilization project for water-based solvent in painting in 2023. Instead of outsourcing disposal, the water-based solvents are now treated in the sewage station, achieving waste reduction and detoxification. This significantly reduces hazardous waste disposal costs and improves transportation efficiency, resulting in environmental benefits. In 2023, a total of 52.2 tons of water-based solvents from the painting shops were treated, with a reduction of 1.06 kg/vehicle, resulting in a cost reduction of RMB61,500.

Note: In 2023, a total of 16 vehicle plants were included in the production of Geely brands, ZEEKR and Lynk & Co. (2021, 2022 : 17). Compared to 2022, the scope in 2023 does not include Hangzhou Bay Factory 1.
The main reasons for the increase in industrial wastewater discharge in 2023 were the Group's sales volume growth and the increase in OEM products. The total sales volume used to calculate the intensity is 1,648,515 vehicles, excluding Livan (2022: 1,376,848 vehicles).
Data for 2022 has been updated after recalculation.

Key Performance:



In 2023:
The intensity of industrial wastewater discharge from vehicle plants was **1.64 tons/vehicle** (2022: 1.71 tons/vehicle), with a **decrease of 4%** compared to 2022.

4.2.4 Noise Management

All of the Group's production sites implement noise management in accordance with the Environmental Noise Emission Standards for Industrial Plants (GB12348-2008). We have established protective facilities for noisy equipment. For example, we have built isolated rooms for noisy equipment such as the Roots fans in factory to reduce noise dispersion; we have built centralized automatic stamping lines at our Meishan and Changxing factories to isolate production lines for noise reduction and effectively reduce surrounding noise. We monitor the noise intensity of the production environment on a monthly, quarterly, and annual basis, with a ceiling of 65 decibels for daytime noise and 55 decibels for nighttime noise at our production sites.

4.3 Resource Use and Conservation

Geely Auto continues to focus on key areas such as energy conservation, pollution reduction and ecological protection, and promotes businesses related to sustainable resource utilization. Through actions such as water resource management and material recycling, Geely Auto is contributing to the development of a low-carbon circular economy.

4.3.1 Water Resources Management

The Group focuses on the impact of water resources on the environment and local communities and is committed to conserving water resources to ensure that production does not exacerbate water scarcity. When conducting environmental assessments for site selection of production facilities, the current status of water resources in the operation area is considered as an important factor to avoid establishing plants in areas with water resource constraints. Currently, there have been no instances of water scarcity or water safety incidents at any of the Group's operational sites.

The Group's production operations mainly rely on municipal water supply, and a small amount of surface water is used.¹ In order to improve the efficiency of water use and protect water resources, we have established water conservation systems and set targets, and implemented measures such as R&D for water recycling technology, reducing water usage, and implementing wastewater reuse.

We continuously enhance the water management capabilities of our production plants, formulate and implement water-saving plans, set key indicators, monitor water usage, and regularly analyze monitoring results to implement improvements.

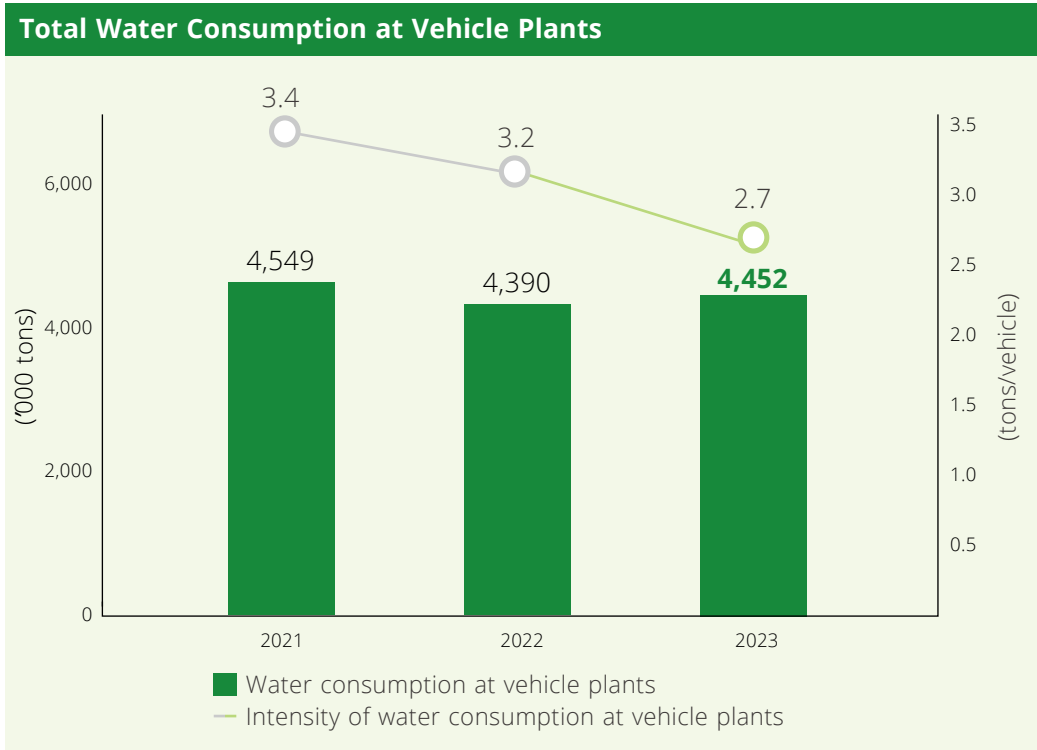
Meanwhile, we are dedicated to achieving water conservation, pollution reduction, and cost reduction through water reuse. By introducing new technologies, processes, and equipment, we continuously optimize our production processes and improve the efficiency of water recovery and recycling. In 2023, the Group further increased research and application of water reuse technologies, achieving a water resource recycling rate of 98.5% for industrial water usage (including production and domestic wastewater) compared to 98.3% in 2022.

¹ Among them, 4,923 tons of irrigation water came from rivers

Water-saving measures adopted in vehicle production in 2023 :

Processes and Equipment Improvement	⊕ Pre-treatment reverse osmosis process as a water-saving strategy	Water-saving outcomes: <ul style="list-style-type: none">Degreasing reverse process water recharge can effectively reduce industrial water consumption by about 2 tons/hour;Pure water after phosphating reverse process water recharge can save about 1 ton/hour of pure water;The use of the Electrodialysis–Reverse Osmosis (EDRO) process can save about 4.5 tons/hour of pure water;Also can reduce wastewater discharge.
	⊕ Dry carton painting room	Through the use of dry spray booths + recirculating air technology, the following results can be achieve <ul style="list-style-type: none">effective reduction of waste water by 70%;34% waste (reduction of waste emissions of about 60 tons/year);60% energy consumption (cost per vehicle is approximately RMB35/unit);No industrial water consumption (annual saving of industrial water usage of 9,000 tons/year);No waste water (annual saving of waste water discharge 4,000 tons/year). (Note: Data is based on 30 JPH (production rhythm), estimated for a single shift of 10 hours)
Water Reuse	⊕ Water recycling in drenching line	Water saving effect: <ul style="list-style-type: none">The water consumption in drenching line is controlled at 120 m³ /month.
	⊕ Painting concentrated water recycling	Water-saving outcomes: <ul style="list-style-type: none">Annual savings of 33,350 m³ of freshwater consumption;Annual cost savings of RMB176,400.
	⊕ Recycling and utilization of concentrated water from pure water system before painting	Water-saving outcomes: <ul style="list-style-type: none">Jinzhong Factory: The improved painting system has increased concentrated water recovery from 0% to 90% ; it has saved 17,400 tons of water throughout the year and reduced tap water expenses by RMB116,300.
	⊕ Paint condensate recovery	Water-saving outcomes: <ul style="list-style-type: none">Yuyao Factory: The annual condensate water recovery volume is 10,000 tons , reducing water expenses by RMB52,900;Meishan Factory: The annual condensate water recovery volume is about 4,000 tons, which effectively reduces water replenishment volume for the cooling tower in summer.
	⊕ Painting pure water system, air conditioning condensate water recovery	Water-saving outcomes: <ul style="list-style-type: none">After the transformation, the water consumption has been reduced from 3.1 tons/vehicle to 2.16 tons/vehicle, saving 0.94 tons/vehicle, and resulting in annual water savings of 94,000 ton;Daily production can rely on the power department's cooling tower water supply, saving 6,240 tons of water annually.

Key performance:



In 2023:
The water consumption per vehicle at vehicle plants was **2.70 tons/vehicle** (2022: 3.19 tons/vehicle), with a **decrease of 15.4%** compared to 2022.

Note: In 2023, a total of 16 vehicle plants were included in the production of Geely brands, ZEEKR and Lynk & Co. (2021, 2022 : 17). Compared to 2022, the scope in 2023 does not include Hangzhou Bay Factory 1.

The main reasons for the increase in water consumption in 2023 were the Group's sales volume growth and the increase in OEM products. The total sales volume used to calculate the intensity is 1,648,515 vehicles, excluding Livan (2022: 1,376,848 vehicles).

Data for 2022 has been updated after recalculation.

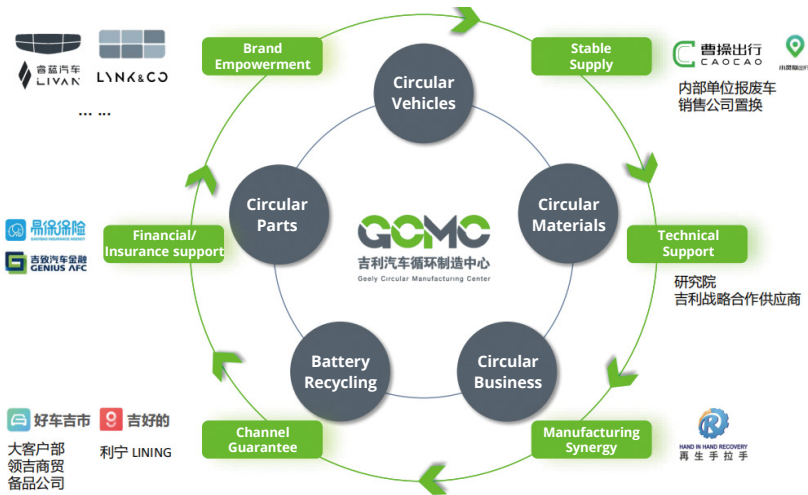
4.3.2 Green Office

The Group actively promotes the concept of green and low-carbon practices in employees' daily lives and work, encouraging resource conservation and waste reduction, and insisting on reducing resource and energy consumption in office areas from the source.

Energy	⊕ Goal: Through technological transformation and daily management methods, achieve a 10% reduction in electricity consumption in 2023 compared with last year
	⊕ Power saving control measures: 1. Technical transformation <ul style="list-style-type: none">Increased the maximum capacity and adopted dual-cabin intelligent elevator dispatching technology to effectively increase capacity 2. Administrative measures: <ul style="list-style-type: none">Responded to policies and implemented electricity restrictionsEnergy saving initiative for all employeesBackstage data analysis to monitor abnormal power consumptionCollaborated with co-located units for mutual development
Water resources	⊕ Goal: Complete installation of water-saving equipment (infrared sensing) for sanitary fixtures, creating a water-saving awareness among all staff, improving water resource utilization efficiency, reducing per capita water consumption by 10% compared to last year, and awarding water-saving units
	⊕ Water-saving control mechanisms: Strengthened publicity efforts to enhance water-saving awareness, Technological upgrades by replacing energy-saving sanitary fixtures, Strengthened water management through administrative measures, Utilized recycled water and surface water for irrigation
Other resources	⊕ Goal: Achieve a 5% overall reduction in vehicle fuel consumption and office supplies compared to last year.
	⊕ Control mechanisms: Conducted extensive energy-saving campaigns and enhanced energy-saving awareness among all staff, Consolidated energy-saving achievements and improved energy-saving measures, Promoted technological energy-saving and actively expanded energy-saving results

4.4 Circular Economy

Geely Auto is building a sustainable automotive circular ecosystem that encompasses the recycling and remanufacturing of vehicles and parts, as well as the regeneration and utilization of raw materials. In 2023, the Group established a Circular Manufacturing Center with a focus on the circular economy, centering around 5 business sectors: circular vehicles, circular parts, circular materials, battery recycling, and circular business. Through technological innovation, process improvement, and supply chain collaboration, Geely Auto is constructing an integrated circular ecosystem, creating competitive advantage, and driving the sustainable development and achievement of the Group's circular economy goals.



Geely Auto Circular Ecosystem Model

4.4.1 Use of Circular Materials

The Group applies green and sustainable concepts to product design, actively researching and promoting new materials and processes to increase the proportion of circular materials. In 2023, we primarily developed circular materials, biomass materials, and natural materials. In the production process of these materials, a certain proportion of materials sourced from consumer recycling, industrial product recycling, and marine debris recycling were used, such as circular PP and circular PC+ABS, while ensuring performance. Currently, the steel requirement for circular materials is 20%-30%.

Up to now, we have completed the development of 8 materials, including circular PP, circular PC+ABS, bio-based PVC, circular PET fiber, circular PA fiber, wool blended fabric, low-carbon cast aluminum, and low-carbon aluminum profiles, and have used them in different applications. Applied to vehicle models as follows:

- ⊕ Circular PET fabric is used in Lynk & Co 08, with 45% of the faux suede containing circular PET components. The fabric used for the headliner, pillars, and sun visors contains 100% circular PET components, and the carpet has 97% circular PET components;
- ⊕ Circular PA fabric is used in the Lynk & Co 01, and flax fibers are used for the seat back panels in the Lynk & Co 05 and 01;
- ⊕ Circular plastics are used as exterior trims in multiple vehicle models, and straw-filled plastics are used as interior panels in the Geometry E series.

Circular Vehicles	Circular Parts	Circular Materials ¹	Battery Recycling	Circular Business
<ul style="list-style-type: none">⊕ The production and sales of circular vehicles enable the reuse of old vehicle and reduce waste and environmental pollution.⊕ Develop maintenance centers and service stations across the country to refurbish vehicles.	<ul style="list-style-type: none">⊕ Remanufacturing of old parts to achieve the same quality and performance as new ones.⊕ In 2023, the remanufactured vehicles completed was 1,198 units, and the number of remanufactured parts was 7,037.	<ul style="list-style-type: none">⊕ Processing and reuse of scrap steel, aluminum, other non-ferrous metals, plastic, electronic waste, and other materials to promote the circular regeneration of resources.⊕ Proportion of circular materials in aluminum is required to be at least 30%.	<ul style="list-style-type: none">⊕ Achieving resource conservation for precious metals such as cobalt, nickel, and lithium, and reducing the environmental pollution caused by harmful substances in batteries. The batteries from research institute and various plants are recycled. Maintenance, reuse, and regeneration of power batteries based on their conditions.	<ul style="list-style-type: none">⊕ Centralized processing of scrapped cars through professional dismantling and scrapping methods to minimize environmental impact.⊕ Scrapped cars, parts and raw materials are recycled and reused to achieve resource recycling.

1 Circular materials requirement: Only applicable to the proportion of parts that can utilize circular materials.

4.4.2 Vehicle Recycling and Reuse

Geely Auto has established an extended producer responsibility system, clearly defining the circular business of circular vehicles, circular parts, and circular materials. Through regulated recycling of scrapped cars, a replicable and scalable model of scrapped car recycling and utilization has been developed, with automotive companies taking main responsibility. The target is to achieve a comprehensive utilization rate of recycled resources from scrapped cars of 75%, a vehicle recycling rate of 95%, and a minimum target of 5% for the proportion of regenerated materials in key parts.

Measures for scrapped car recycling and utilization:

Create a circular manufacturing brand:

- ⊕ Establish an officially certified platform for used car to enhance brand premium capability
- ⊕ Create a reliable value-added service platform for B2B customers
- ⊕ Establish a circular manufacturing pilot projects with external partners to promote the concept of "circular parts for circular vehicles"

Create the "Lining" brand of officially certified circular parts:

- ⊕ Continuously enrich the sales categories of Lining parts at service stations
- ⊕ Continue to develop online car-hailing sales channels

Increased proportion of circular materials:

- ⊕ Gradually establish a closed-loop material system
- ⊕ Gradually open up the recycling network of waste resources and establish a closed-loop material system

We continuously expand the circular vehicle business by rigorously refurbishing and renovating vehicles. While providing original quality assurance services for circular vehicles, we maximize resource recovery and reuse, reducing the demand for new resources and achieving resource conservation and sustainable utilization from the source.



In 2023, Geely Auto completed the remanufacturing of 1,198 vehicles, with 7,037 remanufactured parts. We also completed closed-loop bidding for steel and aluminum waste materials, accelerating the process of closing the loop for steel and aluminum materials. Through joint technological R&D with scrapped car recycling and dismantling companies, effectively promoting the scaled and standardized development of the resource recycling industry.

4.4.3 Battery Recycling and Cascade Utilization

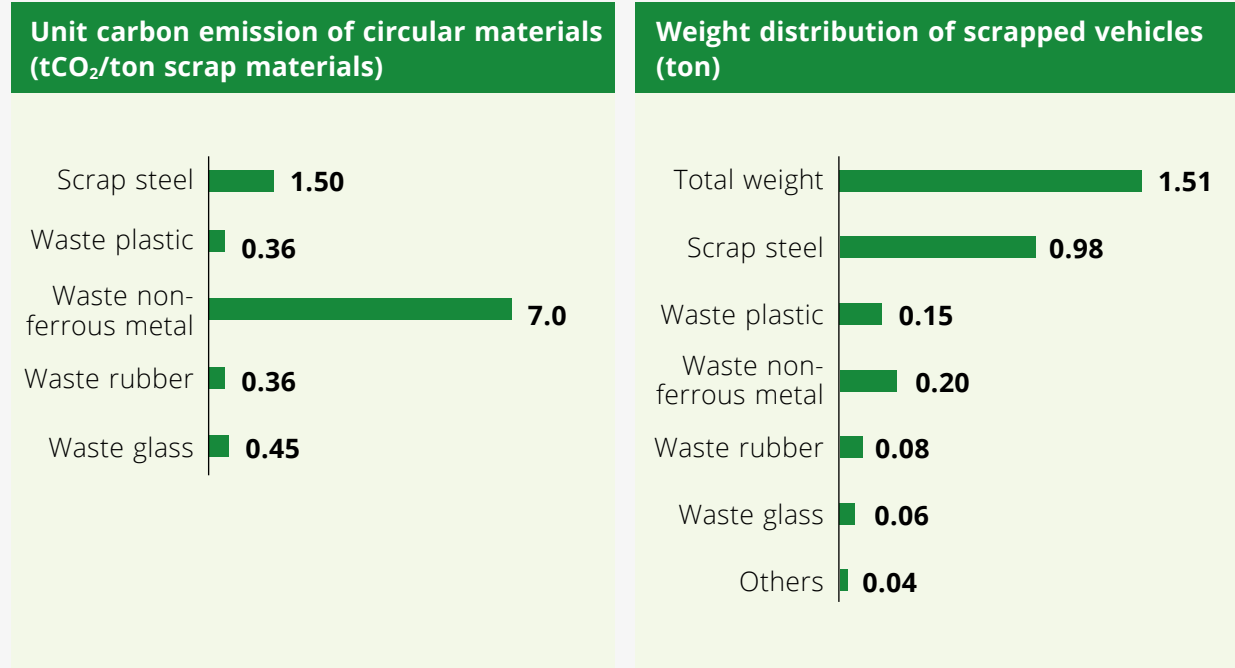
We proactively take responsibility for the recycling of traction batteries from NEVs. We will establish an industry alliance recycling model with automotive factories as the core, strengthen cooperation between automobile production, traction battery production, and comprehensive utilization and other enterprises, establish an effective market mechanism, and form an industry alliance based on the extension of producer responsibility. This aims to reduce the environmental impact of batteries and minimize the damage of chemical elements in batteries to the surrounding ecosystem.

Battery recycling flow example:

Upstream: Battery Recycling	⊕ Establish a data monitoring platform for the health status of batteries to collect and recycle batteries that are already retired or about to be retired;
	⊕ Establish a collection network by connecting marketing channels.
Midstream: Repair, Reuse, Recycle (not commenced yet)	⊕ Monitor and screen the remaining battery capacity; <ul style="list-style-type: none">Batteries with 80%-90% remaining capacity undergo battery repair.Batteries with 40%-80% remaining capacity undergo battery reuse in different applications.Batteries with less than 40% remaining capacity undergo battery recycling.
Downstream: Application Scenarios	⊕ Through operations such as testing the remaining lifespan of batteries, battery reconfiguration, and system integration, batteries are utilized in energy storage stations, electric motorcycles, backup power sources, home energy storage, and other scenarios.

4.4.4 Recycling of Scrap Metal in Production

Our scrap metal is mainly generated from the production and processing of parts, vehicle manufacturing, repairs, and the dismantling process of scrapped cars. To increase the recycling rate of scrap metal in our vehicle plants, we have started to establish a management mechanism for the recycling of metal materials. We comply with relevant laws, regulations, and policies and actively conduct research on the recycling of metal materials. By conducting estimates on the nationwide recycling volume of copper, aluminum, and plastics, we analyzed and evaluated the value generated from the processing and reuse of scrap metal, and reduce carbon emission of approximately 22,800 tons.






4.5 Biodiversity

The Group actively responds to the United Nations Convention on Biological Diversity, the Kunming Declaration, the Kunming-Montreal Global Biodiversity Framework, and other related initiatives. We continuously focus on the compatibility between production environments and the surrounding natural ecosystems, striving to improve the environmental conditions of our factories and create green factories. Additionally, during the initial assessment of project construction, we evaluate the impact of the project on the ecological environment and avoid constructing projects in ecologically vulnerable areas. During the operation phase, we continuously monitor the surrounding ecological environment and protect biodiversity through promoting ecological compensation and restoration projects.

Methods and solutions for biodiversity protection:

	Solution	Example
Avoid	Avoid establishing factories in ecologically vulnerable areas	During the initial stage of project construction, assesses the impact of the project on the surrounding ecological environment to prevent ecosystem destruction.
Reduce	Update technology and equipment to reduce emissions of pollutants during production and operations	Update technology and equipment to improve the recycling rate of waste; implement the reuse of treated wastewater for irrigation and road cleaning to enhance water utilization efficiency.
Transform	Build a nature-positive pilot factory	The Guiyang factory conducts a natural capital assessment to identify, measure, and estimate the impact and dependence of the Guiyang factory on natural capital, and forms a series of indicators to evaluate the progress of management actions related to the natural benefits of the manufacturing plant.
Restore	Tree planting and afforestation	We engage employees and car owners in greening actions such as tree planting and gradually increase the potential green ecological value, providing habitats for wildlife.
Regenerate	Use recycled materials	Use recycled materials in the production process and in the automotive products provided to consumers.



Guiyang Vehicle Plant Natural Capital Assessment


This Group focuses on the Guiyang plant and utilizes the methodological framework based on the international leading Natural Capital Protocol to identify and assess its impact and dependence on natural capital during the period of construction and operation from 2015 to 2022.

During the planning process of the Guiyang plant, the Group fully understood the concept of local ecological civilization. With the aim of preserving the original ecology to the maximum extent possible, measures such as formulating ecological protection strategies, monitoring environmental factors, and strengthening environmental compliance inputs have been implemented to reduce the project's interference with biodiversity and ecosystems.

During the construction phase, the Guiyang plant preserved the original landscapes such as mountains and lakes, earning it the reputation of being a "Garden-like Factory".

During the operation period, the Guiyang plant has continuously increased its environmental protection efforts and implemented energy-saving technological improvements. Significant improvements have been achieved in reducing air pollutants, wastewater, solid waste, GHG, as well as enhancing water utilization efficiency. This has resulted in a decreasing trend in the externalities (social costs) generated by the plant on the natural environment.

To provide better habitats for surrounding wildlife, the Group conducts annual tree planting activities on the mountainous areas within the plant. As of now, there are a total of 1,453 species of organisms in the Guanshanhu area, including nationally protected and rare species such as the black kite, red horned owl, and fragrant fruit tree.



Legend: Environmental conditions of the Guiyang vehicle plant

We have found that environmental issues such as GHG emissions, solid waste generation, and wastewater discharge continue to have a significant impact on natural capital changes. Looking ahead, Geely Auto will set more ambitious management targets, continuously improve environmental performance, develop a more efficient and circular production model, enhance resource integration, promote collaboration among stakeholders along the value chain, and incorporate natural factors into manufacturing site management decisions. This will contribute to the automotive industry and peer companies in addressing the risks of natural loss and transitioning towards nature positive.

5

Governance and Ethics

Material Issues

- ⊗ Corporate Governance and Risk Management
- ⊗ Compliance and Integrity
- ⊗ Information Security
- ⊗ User Privacy



Corporate Governance

- ⊕ The proportion of independent non-executive directors: **42%** (↑ **6 %pt**)
- ⊕ The Nomination Committee and the Remuneration Committee comprising of **100%** independent non-executive directors
- ⊕ Proportion of female in the Board: **25%** (↓ **2 %pt**)

Compliance and Integrity

- ⊕ **100%** employees signed Compliance Statement and Conflict of Interest Declaration
- ⊕ **100%** of training rate of the Code of Conduct and an average training time per person of **1.3 hours**.
- ⊕ Revised and issued the Code of Conduct and the Supplier Code of Conduct

Information Security and User Privacy

- ⊕ ISO 27001 Information Security Management System Certification
- ⊕ Automotive Cybersecurity Management System (CSMS) Certification
- ⊕ **100%** employees participated in information security and privacy compliance training
- ⊕ No information security breaches or other cyber security incidents for three consecutive years

ESG Strategy: Governance and Ethics
Digitalization & Innovation



Sound corporate governance and ethical environment are the prerequisites for sustainable corporate development. The Group has incorporated "Governance and Ethics" into one of its six ESG strategy directions, taking "global corporate governance best practices" as a benchmark, and continuously optimizing our governance structure and ethical system that are compliant with laws and regulations and are fair and transparent. The Group adheres to the path of globalization, complies with the international trade regulations and standards of the target markets, and is committed to becoming the industry benchmark for Chinese automobile companies "going global".

5.1 Corporate Governance

The Group strictly complies with the listing rules and relevant laws and regulations, and on the premise of safeguarding the interests of shareholders and bringing sustainable returns to shareholders, it continuously improves the corporate governance structure and forms checks and balances among the authority, decision-making body, supervisory body and management, and regularly conduct evaluations on the effectiveness of internal controls to ensure the sustainable and healthy development of the Group's various businesses.

5.1.1 Board Governance

The Company's Board (the "Board") consists of a total of 12 directors. Its main responsibilities include formulating development strategies, deliberating on major issues, maintaining investor relations, and supervising risk management.

In order to ensure the independence and effectiveness of the Board, the Company has made a clear distinction between supervisory functions and executive functions. The Chairman of the Board and CEO are held by different individuals to ensure a balanced distribution of power and authority.

Based on the ESG strategic direction of "Governance and Ethics", the Company carried out the evaluation of corporate governance during the Reporting Period, and analyzed and benchmarked based on the following aspects:

- ⊕ The Listing Rules of the HKEX and its Appendix C1 Corporate Governance Code, Corporate Governance Guide for Boards and Directors
- ⊕ Analysis of corporate governance performance of various ESG ratings
- ⊕ Best practices in corporate governance for the global automobile industry and Hong Kong listed companies

The analysis and benchmarking mainly focus on the performance of the following corporate governance:

- ⊕ Independence: Proportion and tenure of independent non-executive directors, composition of nomination and remuneration committees
- ⊕ Diversity: Gender and skill diversity on the Board
- ⊕ Effectiveness: Committee meeting mechanism, attendance rate, excessive position and directors' remuneration system

Based on the above benchmarking analysis, the Sustainability Committee discussed and formulated relevant improvement measures at the meeting. Relevant recommendations were also discussed by the chairman of the Nomination Committee, the chairman of the Remuneration Committee and the members of the Sustainability Committee and formed a corporate governance improvement plan appropriate for the Group's strategy and sustainability.



Based on the corporate governance improvement plan, in May 2023, the Company set the Board gender diversity goal of "reaching 30% or more female directors by 2025" and the goal of "continuously increasing the proportion of independent non-executive directors on the Board". Members of the Nomination Committee and Remuneration Committee were all also changed to be served by independent non-executive directors.

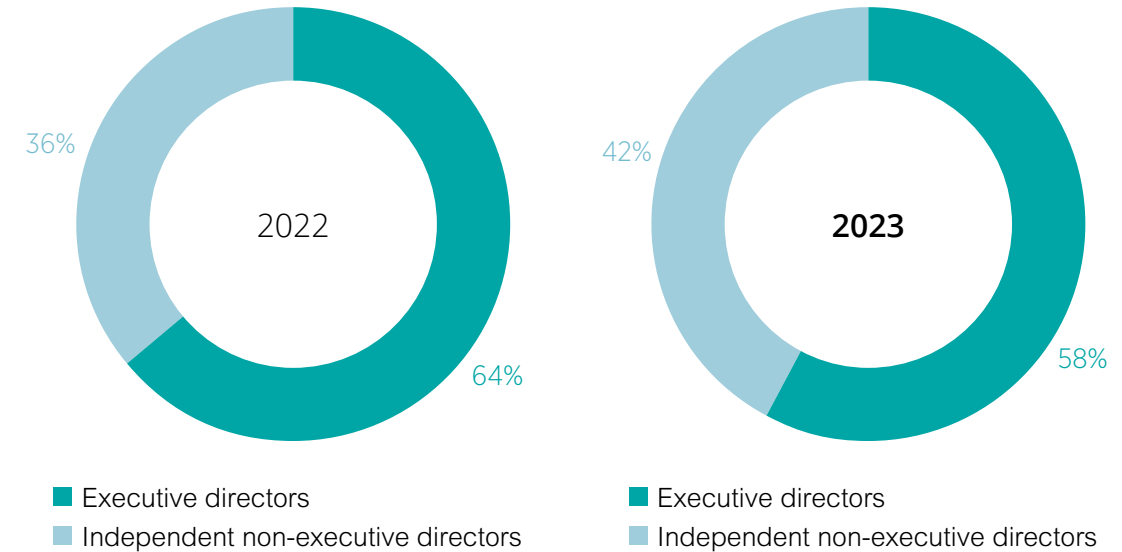
During the Reporting Period, 1 female independent non-executive director of the Company resigned, based on the goal of the Board diversity and independence, the Company newly added 2 independent non-executive directors, and considering the gender and expertise diversity in the process of identification, the newly added independent non-executive directors comprise of 1 female and 1 male, having international, industry, and other listed company governance experience. They provide diversified and comprehensive perspectives to the Board, promoting the global development of the Group.

The Remuneration Committee regularly obtains information on the Group's performance in strategies, operations, finance and sustainability, and also obtains information on the current compensation market conditions from the human resources, and reviews the directors' remuneration based on the contributions, experience and position of individual executive directors and the above information and according to the Company's remuneration policies.

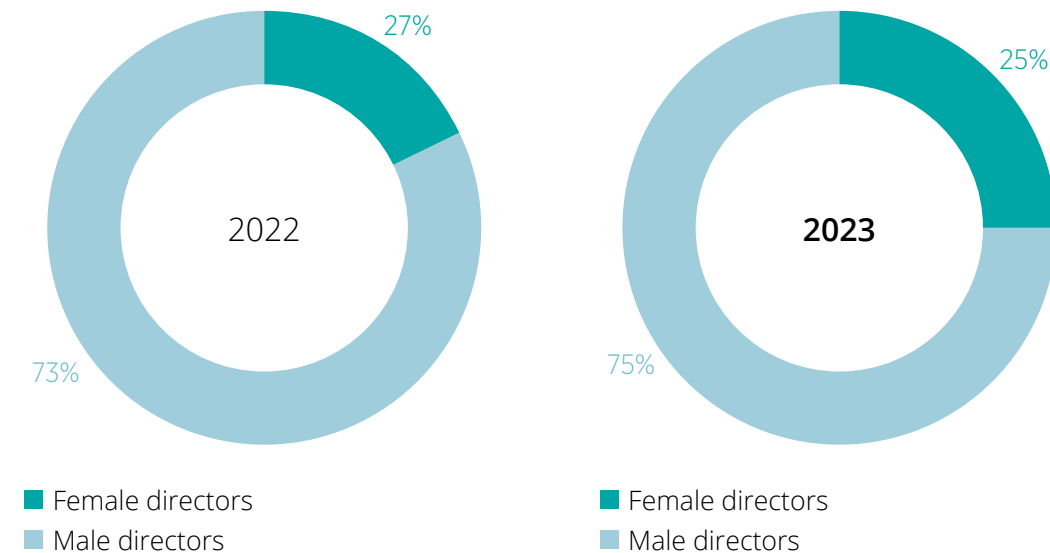
As at the end of 2023, the proportion of independent non-executive directors of the Company increased to 42% (2022: 36%), and the proportion of female directors was 25% (2022: 27%). The average tenure of independent non-executive directors decreased to 5.13 years (2022: 5.84 years). The directors of the Company have diverse professional experience in different areas of specialization such as business operations, accounting and finance, risk management, and automotive engineering. The integration of these experiences helps to better monitor and respond to risks and opportunities of the Group.

For more information on corporate governance, please refer to the Corporate Governance Report of the Group's Annual Report 2023.

Independence of the Board



Gender Diversity of the Board



5.1.2 Investor Rights and Communication

As of December 31, 2023, the number of the Company's issued and fully paid shares was 10,063,382,383. All shares are ordinary shares and rank pari passu based on the principle of one share, one vote. There are no restrictions on voting rights.

The Group adheres to the principles of open communication and fair disclosure, and is committed to maintaining effective communication with shareholders and investors, and providing them with necessary information in a timely manner to facilitate their evaluation of the performance of the Board and the Group. During the Reporting Period, the Company has reviewed the implementation and effectiveness of the Shareholder Communication Policy, revised it and announced it to the public. This policy sets out information such as shareholders' communication channels with the Company, shareholders' rights, shareholders' meetings and shareholder privacy, and is reviewed annually by the Board to ensure its effectiveness. The Company and our investor relations team have established a regular communication mechanism, including but not limited to shareholder meetings, road shows, investor meetings, interviews, monthly reports released on the official website, official media, etc., so that shareholders and other stakeholders can learn more about the Group's business operations and future development plans.

During the Reporting Period, Geely Auto held a total of 1 annual general meeting and 5 extraordinary general meetings. The attendance rate of directors in person/by teleconference was 73% and 88% (2022: 62% and 91%) respectively. The members of the Board fully discussed the Company's operations and business strategies with shareholders, and listened to shareholders' opinions and suggestions at the general meetings.

At the same time, the Group sought to understand investors' vires on Geely Auto's ESG performance and plans through ESG meetings, on-site inspections, questionnaires, etc., and discussed with investors on issues such as carbon reduction targets, responsible supply chains, and human rights. For more information on shareholders' rights and investor relations, please refer to "F. Shareholders' Rights" and "G. Investor Relations" as set out in the Corporate Governance Report of the Group's "Annual Report 2023".

5.2 Risk Management and Internal Control

Geely Auto established the risk management system by referring to the Committee of Sponsoring Organizations of the Treadway Commission (COSO)'s Internal Control – Integrated Framework and the Basic Standard for Enterprise Internal Control issued by the Ministry of Finance of the People's Republic of China and other four Ministries, forming a "three lines of defense" control mechanism for business, internal control and internal audit.

The Board, the Audit Committee, management (including the risk management and control functions), business units, and Internal Audit Department undertake their respective duties and responsibilities of risk management under this framework. We regularly evaluate the effectiveness of risk management and internal control to promote management implementation and system improvement. For details, please refer to "Risk Management and Internal Control" as set out in the Corporate Governance Report of the Group's "Annual Report 2023".

The Audit Committee makes use of internal audit and external audit to review the effectiveness of risk management and internal control. The Internal Audit Department functionally reports directly to the Audit Committee to ensure its independence. The internal audit scope covers all operations of the Group. The annual audit plan is formulated based on the risk assessment and is executed after being reviewed and approved by the Audit Committee. The internal audit projects are implemented at least once a month on average, subject to the scale of the projects. The internal audit projects mainly test the effectiveness of internal control in various business processes to identify major risks in the aspects of strategy, operation, finance, compliance and ESG. After the issuance of audit reports to the auditees, the auditees are required to make rectification plans on the identified issues and designate persons in charge and set deadlines for rectifications. To strengthen the monitoring on resolving the audit issues, the audit reports are also sent to the management and the Internal Control Department to ensure that the rectifications are completed timely and sufficient resources are provided. Meanwhile, the Internal Audit Department also regularly performs follow up review on the status of the rectification.

The Audit Committee listens to the work report of the Internal Audit Department without the presence of management at least twice a year to evaluate the independence, objectivity and effectiveness of its work. The Internal Audit Department also reports on ad-hoc basis to the Audit Committee and gathers its opinions, to improve the audit work's effectiveness.

During the Reporting Period, the Internal Audit Department continued to incorporate the ESG category risk into the risk assessment of the annual internal audit plan. Meanwhile, the following ESG risk-related audits were also completed, including: safety and environmental management of the vehicle factory, waste management, material scrap and recycling of battery business, general data protection regulations and desensitization processing of users' personal information:

During the Reporting Period, the external auditor has performed audit on the Group's annual consolidated financial statements and reviewed the interim consolidated financial statements. For more information on the external audit and the audit Committee's review on its independence and objectivity, please refer to "D. Accountability and Audit" as set out in the Corporate Governance Report of the Group's "Annual Report 2023".

5.3 Compliance and Ethics

Responsible operation is the foundation and prerequisite for the stable operation of an enterprise. The Group complies with the laws and regulations of the countries or regions where it operates, the ISO 19600 Compliance Management Systems - Guidelines and the compliance management guidelines issued by related Ministries of the PRC, supports the "Ten Principles of the UN Global Compact", continues to improve the compliance and business ethics system, and ensures effective organizational structure and decision-making mechanism for compliance management.

5.3.1 Compliance Management

The Group has set up a compliance committee which consists of the business group CEO, members of Operational Management Committee, persons-in-charge of legal affairs and compliance, responsible for leading and monitoring the development of the compliance organization system and policy system of the Group, considering the annual compliance work target and plans, determining significant compliance matters of the Group. The Compliance Department of the Group is in charge of the daily implementation of compliance system, setting up a business compliance BU team in various business units to be responsible for the implementation of compliance of business units, and to form a complete compliance organisation and management system. The compliance team of the business units reports to their business heads on an actual basis, and report to the Compliance Department of the Group on a virtual basis.

On the basis of complying with external laws, regulations and industry norms, the Group has established a compliance system applicable to all employees. During the Reporting Period, based on changes in the external environment, the Group has added more international conventions and code of business conduct applicable to the Group's global operations, focusing on employee rights, responsible procurement, environmental protection, conflicts of interest, etc., and publicly issued the Code of Conduct (Third Edition) and the Geely Supplier Code of Conduct (Revised) in April 2024. These amendments will help all directors, management and staff as well as suppliers have a clearer understanding of the Group's compliance and ESG requirements, so as to collectively conduct their business responsibly and avoid the risk of significant impact on stakeholders.

Compliance Training

Compliance training runs through the employee life cycle from new employee induction training, exit audit of key positions, personnel transfer and re-employment. The Group formulated the Implementation Rules for Compliance Training, and required business units to conduct compliance training for all of their employees at least annually. The Group has tailor-made different compliance courses for employees of different grades and different positions. All new employees are required to complete the compliance training within three months.

In 2023, the Group continued to improve training courses in key compliance areas including anti-corruption, human rights, conflicts of interest, fair competition, export control, intellectual property right, tax transparency, information security, data compliance etc., and regularly held training courses hosted by internal employees and external experts to timely share regulatory developments and cases of global compliance. At the same time, we organized the annual Compliance Culture Month activities to reach all employees through online and offline channels to strengthen the compliance awareness of all employees. During the Reporting Period, the average compliance training time per person was 2.4 hours, of which the training rate of the Code of Conduct reached 100%, with an average training time per person of 1.26 hours. The signing rate of employees' Compliance Statement reached 100%.

Compliance Risk Management

The Group identifies and evaluates sustainability-related risks and opportunities that have a significant impact on "Compliance and Integrity" and focuses on compliance risk identification and governance of the four core businesses of production, R&D, supply chain and sales, and assessing the timeframe and type of impact.

During the Reporting Period, the Group conducted comprehensive risk identification for 34 risks in 16 areas including anti-bribery and anti-corruption, anti-monopoly, export and trade control, data and privacy protection, intellectual property, labor management, sales and marketing, safety, health and environment, and product quality compliance, to identify the current status and potential deficiencies of risk management, clarify the division of management responsibilities, promote review of rectification and continue to carry out regular risk identification, while following up on external influences and internal factors, promptly identify and update the risk list.

Compliance Risk Identification Process

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Risk Identification

- ⊕ Build a risk identification framework to ensure comprehensive, accurate and systematic compliance risk identification
- ⊕ Determine the scope of key operations or positions that need to strengthen compliance risk management, and formulate a work plan for compliance risk identification and assessment

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Risk Management

- ⊕ Evaluate whether resource allocation, responsibilities and authorities of relevant departments, process monitoring of ongoing business management activities, execution capabilities and qualifications, risk awareness, etc. meet response needs
- ⊕ Develop response measures such as cessation, elimination, mitigation, etc., and set an implementation plan with a clear time period
- ⊕ Supervise, inspect and report on the implementation of plans and set up reward and punishment mechanisms

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Risk Analysis

- ⊕ Analyze and quantify the probability and frequency of compliance risks
- ⊕ Analyze and quantify the impact of compliance risks on operations, management and business development
- ⊕ Comprehensively evaluate the adaptation effect and efficiency of compliance risks and existing control measures, and determine the risk level

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Management Improvements

- ⊕ Work with relevant departments to formulate and optimize risk monitoring and early warning mechanisms, and urge all departments to carry out compliance risk self-examinations or inspections
- ⊕ Conduct periodic reassessments to identify and improve upon changes in business scenarios, corporate strategies, external environments, etc.

With reference to regulatory instructions, market trends and peer crisis, the Group predicts possible risks and impact levels, and formulates annual compliance risk management plans. Through the formulation of the Evaluation Measures for Compliance Performance, the effectiveness of the compliance work of each unit in the Reporting Period was evaluated, and continuous optimization is carried out based on gap analysis, and the compliance performance has been linked to organizational performance.

The Group identified export controls, conflicts of interest, corruption and bribery as high-impact risks based on the probability of occurrence and the consequences of risks. Based on the risk assessment results, the Group deemed the following as annual compliance priorities:

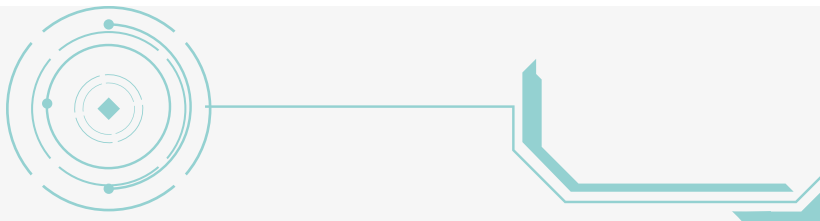
Export compliance

Human and labor rights

Anti-bribery and anti-corruption

Data responsibility and privacy protection

5.3.2 Export and Trade Compliance



Export Compliance

The Group complies with relevant laws and regulations applicable to its businesses, and in order to adapt to the Group's global strategic development and respond to the rapidly changing international environment and complex situations, the Group has set up dedicated teams in China and Europe to continuously monitor and study the relevant laws and regulations in the export market, and continuously refine internal management and practices. In addition, the Group has established a new product development compliance working group with the participation of various departments, including R&D, supply chain, compliance and quality, to coordinate and manage the construction of the Group's product compliance system and the implementation of business compliance, ensuring the compliance of newly developed products.

During the Reporting Period, the Group analyzed the potential impact on automobile exports mainly focusing in the following aspects:

1) Export and Trade Control Compliance:

The Group conducted research and interviews with key business units, identified key business control nodes, and established export and trade control compliance risk control and management processes that are in line with actual business. Besides, in order to achieve risk prevention and control in advance. At the same time, in order to ensure the compliance and efficient operation of the Group's businesses and deepen the understanding and awareness of export and trade control compliance among business personnel, the Compliance Department of the Group continued to track and interpret relevant laws and regulations on export and trade control, formulated and issued a compliance management system and a series of compliance guidelines.

During the Reporting Period, the Group developed export and trade control-related training courses and conducted more than 20 internal training sessions, covering mid-level management of key business units, high-risk positions and general employees, with an average training time of more than 1 hour per person. We conducted 5 training sessions for suppliers, with more than 60% of suppliers participated and an average training duration of 1 hour.

2) EU New Battery Regulation (EU) 2023/1542 (referred to as “New Batteries Regulation”):

This bill mainly proposes carbon footprint requirements and requirements for the proportion of recycled materials, including: all power battery products and vehicles imported into the EU after February 2025 must come with a carbon footprint statement. Power battery suppliers must disclose information on recycled materials (cobalt, lead, lithium, nickel) used in batteries by July 2028. During the Reporting Period, the Group conducted a detailed interpretation and responsibility breakdown of the regulation, analyzing more than 20 regulatory items including hazardous substances, carbon footprint, recycled raw materials, battery labels, supply chain due diligence, extended producer responsibility, and material recycling rates. The Group analyzed the corresponding implementation timeline, applicable battery types, and identified the main business units involved in the regulation. VREMT, a subsidiary of the Group, is responsible for handling the ZEEKR batteries it produces, the related after-sales battery maintenance and scrapping of BEVs of other brands of the Group will also be handled by VREMT. In addition, we have established a Circular Manufacturing Center to actively promote work in the area of extended producer responsibility and promote a circular economy business model through circular vehicles, circular parts and circular materials. For more details, see: “3.3.3.1 Low-carbon Procurement”, “4.4 Circular Economy”, “4.3.2.3 Battery Recycling and Cascade Utilization”.

4) Data and cybersecurity:

The export of automobile products involves risks such as national security and leakage of sensitive information. In particular, it is required that sensitive information involved in automobile products (such as user privacy, vehicle location data, etc.) be properly protected during processing and transmission to prevent unauthorized access and disclosure. The Group complies with the European General Data Protection Regulation (GDPR) and is committed to including domestically released models into the same consideration as overseas models. During the Reporting Period, the Group hired legal advisors and other third-party experts to jointly conduct data compliance assessments on export models, and has obtained the Automotive Cyber-Security Management System (CSMS) certification, and the relevant models have been certified by Vehicle Type Approval (VTA). At the same time, we have obtained ISO 27001 information security management system certification for five consecutive years, covering business scopes such as R&D, production, sales, supply chain and service support system. For more information, see “5.4 Data Responsibility and Privacy Protection”.

3) EU Carbon Border Adjustment Mechanism (CBAM):

This mechanism aims to impose tariffs on products imported into the EU based on their carbon emissions. The Group conducted a preliminary analysis of the requirements and feasibility assessment of this policy on carbon emission calculation and reporting, external carbon emission certification, carbon pricing, and the purchase of related carbon credits. The policy is still in the development and discussion stages, and we are closely following the updates of the policy and communicating with external experts on its impact on automotive exports. At the same time, the Group actively participates in the formulation of domestic policy standards and promotes international mutual recognition of automobile carbon emissions and carbon footprint accounting systems. As of the end of the Reporting Period, the Group’s lifecycle carbon emission per vehicle had further declined, down 12% compared to 2020. For more information, see “3.3 Implementation of Carbon Reduction Action”.

5) Quality system construction:

The EU has high requirements for product and factory audits to ensure that product quality meets relevant standards. During the Reporting Period, 100% of the Group’s vehicle plants have obtained ISO 9001 Quality Management System certification, and obtained the IATF 16949:2016 certification for the first time. Meanwhile, the Group actively invites institutions with EU quality management qualifications to improve the current quality management system. For more information, see “6.3 Product Quality and Safety”.

5.3.3 Human and Labor Rights

The Group discloses its human rights management with reference to the United Nations Guiding Principles Reporting Framework.

Part A: Governance of respect for human rights

A1 What does the company say publicly about its commitment to respect human rights?

As a responsible global enterprise with the vision of “A Sustainable Future, A Better World”, the Group is not only concerned with growth and development in the business sector, but is also committed to contributing to global sustainable development. Based on the Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework, we fulfill the responsibility of business enterprises to respect human rights, avoid infringing on the human rights of others and address negative human rights impacts.

In order to clearly and transparently explain the Group's commitment and attitude towards sustainable development, including human rights, to all stakeholders and the public, the Group has formulated the Code of Conduct and the Geely Supplier Code of Conduct, which are published on the official website (www.geelyauto.com.hk).

In the Code of Conduct, the Group is committed to respecting international human rights standards, including the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the International Labor Organization Conventions. Meanwhile, the Company's parent company, Zhejiang Geely Holding Group Company Limited (“Geely Holding Group”), is a corporate member of the United Nations Global Compact, and as part of the Geely Holding Group, the Group fully supports the Global Compact's ten principles relating to human rights, labor, the environment and anti-corruption.

In the Geely Supplier Code of Conduct, Geely is committed to respecting the International Labor Organization Conventions and expects its suppliers, which are any persons or entities that directly or indirectly provide raw materials, products or services to Geely, to respect the Conventions.

For more information on the Group's and its suppliers' human rights-related commitments to other United Nations and International Labor Organization Conventions, please refer to the Code of Conduct and Geely Supplier Code of Conduct.

A1.1 How has the public commitment been developed?

The Group has formulated its Code of Conduct in accordance with the laws and regulations of the countries or regions in which it operates, generally recognized international codes of conduct, responsible business practices of global companies, and the compliance guidelines of the relevant regulatory authorities in relevant countries. The Group has also adopted the Geely Supplier Code of Conduct, which sets out the requirements for suppliers in respect of the working environment and human rights, health and safety, business ethics, environmental protection, etc., and forms an integral part of the contracts signed between Geely and its suppliers.

The Code of Conduct and the Geely Supplier Code of Conduct were prepared by the Compliance Department, ESG Department, Human Resources Department, Supply Chain Department, labor unions, of the Group, in consultation with external lawyers and external ESG consultants, and were reviewed by the Sustainability Committee and then approved by the Board (as the highest decision-making body of the Group) for public disclosure.

The Code of Conduct and the Geely Supplier Code of Conduct are regularly reviewed by the Group and revised as necessary and published on the Company's official website. The first edition of the Code of Conduct and Geely Supplier Code of Conduct was officially issued in March 2022; the third edition of the Code of Conduct and the revised Geely Supplier Code of Conduct were officially issued in April 2024, which are the latest versions as of the date of this Report.

In this revision, the Group further regulated the requirements related to “Working Conditions, Remuneration and Benefits”, “Non-discrimination and Equal Opportunities”, “Prohibition of Child Labor, Forced Labor and Human Trafficking”, “Responsible Purchasing”, “Consultation, Reporting and Grievance”, and “Remedies”. The new requirements include, but are not limited to: respecting the rights of freedom of association (e.g., trade unions) and collective bargaining in accordance with the law; respecting and supporting the rights of women, children, migrant workers, people with disabilities, indigenous people and relevant conventions, ensuring that workers must meet the minimum working age stipulated in the International Labor Organization's Minimum Age Convention and applicable local laws upon employment, once child labor is discovered, immediately stop their work, terminate the employment of child labor and initiate child labor relief procedures; eliminating all forms of forced labor, slavery and human trafficking in all businesses, and supervises the relevant acts of partners (such as suppliers and recruitment agencies); and strictly prohibiting workplace violence and workplace harassment, including physical, psychological, sexual, and other workplace violence and harassment. Meanwhile, we carry out responsible mineral procurement based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“OECD Minerals Guidance”), and require suppliers to at least conduct due diligence on conflict minerals (including: tin, tantalum, tungsten and gold, commonly known as “3TG”) in accordance with the OECD Minerals Guidance, so as to proactively identify and eliminate conflict minerals in our products and supply chain. In addition, this amendment to the Code of Conduct and the Geely Supplier Code of Conduct included the Group's commitment to work with suppliers or other organizations to provide remediation where there is an adverse impact on individuals, employees or communities.

For details, please refer to the third edition of the Code of Conduct and the revised Geely Supplier Code of Conduct.

A1.2 Whose human rights does the public commitment address?

In preparing the Code of Conduct and the Geely Supplier Code of Conduct, we have taken into account any and all individuals and groups affected by the business activities of the enterprise or through its business relationships, including, but not limited to, employees, users, suppliers, employees of suppliers, communities and other individuals and groups. Therefore, the scope of commitments in the Code of Conduct includes those related to these individuals and groups: employee rights, health and occupational safety, data and information security, value chain compliance, community integration and environmental protection. Besides, the Group has also specified in the Code of Conduct that the scope of application includes all Directors, senior management and all employees (including full-time, part-time and temporary employees).

In addition, the Group pays special attention to the rights and interests of vulnerable groups, such as women, children and indigenous people. The Group also made commitment in the Code of Conduct to respect and support the Convention on the Elimination of All Forms of Discrimination against Women, the Convention on the Rights of the Child, the Principles on the Rights of the Child and the Business Enterprise, the United Nations Declaration on the Rights of Indigenous Peoples and other conventions. The Group is also concerned about human rights issues arising from conflict minerals in the supply chain and therefore also requires suppliers to carry out due diligence on conflict minerals at least in accordance with the OECD Minerals Guidance in the Code of Conduct and the Geely Supplier Code of Conduct.

A1.3 How is the public commitment disseminated?

The Code of Conduct and the Geely Supplier Code of Conduct will be published on the Company's official website in Chinese and English, which are the principal working languages of the Group, after approval by the Board so as to make them accessible to all stakeholders and the public.

Besides, in order to more effectively and conveniently disseminate the Code of Conduct and the Geely Supplier Code of Conduct to affected individuals and groups, as well as to enable them understand the relevant rights, responsibilities and practices, the Group has conducted trainings, including providing online training on the Code of Conduct to all directors and employees of the Group, which is also available on the internal learning platform for easy access by employees at any time. The Group also provides training on the Geely Supplier Code of Conduct to suppliers to ensure that they are fully aware of our human rights requirements.

The Geely Supplier Code of Conduct also forms an integral part of the contracts entered into between Geely and its suppliers. In addition, suppliers are also required to select their own suppliers in such a way that the principles of the Geely Supplier Code of Conduct are adhered to by the other party.

The Group has also set out consultation channels in the Code of Conduct and the Geely Supplier Code of Conduct to enable more stakeholders to obtain more relevant information.

A2 How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?

The Group has put forward the mission of "creating the safest, most environmentally friendly and most energy-efficient vehicles" since 2007, which is based on respecting the lives and safety of users and passengers, the impact of products on the environment and the affordability of users as the purpose of our product design and manufacturing. In 2023, the Group formulated and publicly released the "ESG Strategy" in line with the overall strategic direction. In the process of formulating this strategy, we considered the United Nations Sustainable Development Goals, stakeholder opinions, etc., in order to realize the Group's vision of "A Sustainable Future, A Better World". Each of six directions of the "ESG Strategy" considers the human rights impacts on different stakeholders:

- ⊕ Climate Neutrality: reducing the environmental and economic impacts of climate change on all mankind, just transition (including avoiding employee unemployment due to the transition and providing affordable NEV products)
- ⊕ Nature Positive: human rights to enjoy the environment and natural resources
- ⊕ All-round Safety: safety and health of vehicle users and road users
- ⊕ Digitalization & Innovation: data responsibility, privacy protection and artificial intelligence ethics
- ⊕ Co-prosperity: avoiding and eliminating adverse impacts on employees, business partners and the community so that they can develop in harmony and prosperity with the Group
- ⊕ Governance and Ethics: developing in line with the principle of market equity and eliminating the impact of corruption on stakeholders

The Sustainable Committee of the Company is responsible for assisting the Board in overseeing the Group's ESG development and guiding the implementation of relevant measures. Its functions also include responsibilities related to the Code of Conduct (see the terms of reference of the Sustainable Committee published on the Company's official website for details), and therefore, it also undertakes the oversight responsibility of human rights management.

Geely also actively participates in human rights related organizations to leverage its industry-leading impact on human rights improvement, including that Zhejiang Geely Holding Group ("Geely Holding Group"), the parent company of the Company, is a participant of the United Nations Global Compact and is also a global partner of "Drive Sustainability", an organization of 16 automotive companies working together to improve the sustainability of the supply chain.

During the Reporting Period, the Group continuously assessed the sustainability-related risks and opportunities through industry benchmarking and other methods, and identified human rights risk as one of the risks that needs to be improved. Accordingly, during the Reporting Period, the ESG Department, Compliance Department, Human Resources Department, labor unions and Supply Chain Department allocated more resources in the form of human rights working groups to synergistically improve the human rights management of the Group and its supply chain, including conducted survey of salient human rights issues, and reported the relevant results to the Sustainability Committee and the Board. Besides, the Internal Audit Department also considered the relevant analysis results in its annual risk assessment and corresponding annual audit plan, which would be implemented after approval by the Audit Committee. During the Reporting Period, the Internal Audit Department also conducted audits on the safety management of the vehicle plants and the desensitization of user personal information on this basis.

A2.1 How is day-to-day responsibility for human rights performance organized within the company, and why?

The Group's daily human rights work is carried out by the following responsible persons or departments:

Chief Human Resources Officer: management of the rights of the Group's employees, including remuneration and labor contract management, creation of a diverse and inclusive work environment, and handling of rights and benefits complaints of employees

Chief Safety Officer: occupational health and safety management and related issues handling for employees of the Group

Procurement General Manager: human rights management of the Group's supply chain, including the signing and promulgation of the Geely Supplier Code of Conduct, human rights risk management in the supply chain, and handling of human rights issues arising from suppliers

Compliance Department: the leading department responsible for the development and implementation of the Code of Conduct and the Geely Supplier Code of Conduct, overseeing and handling reports and complaints of human rights by employees and suppliers of the Group

The above responsible persons or departments shall report to the management of the Group.

The Sustainability Committee is the highest level body of the Group responsible for monitoring human rights, and is assisted by the ESG department in overseeing daily human rights work. In addition, the ESG Department also collects opinions from external stakeholders on human rights of the Group and benchmarks human rights performance to identify room for improvement

This governance structure facilitates more objectively monitoring of the implementation of daily human rights work and evaluation of its effectiveness.

Labor unions negotiate and sign collective contracts with the Group on behalf of employees, and collect opinions of the Group's employees on human rights and employees' rights

A2.2 What kinds of human rights issues are discussed by senior management and by the Board, and why?

During the Reporting Period, the Group collected suggestions on human rights risk identification, human rights management and grievance channels from the Board by means of a survey questionnaire. Besides, the ESG Department also reported to the Board on human rights and responsible supply chain as the main ESG risks identified.

In April 2024, the Sustainability Committee held a meeting to discuss:

- ⊕ The importance of human rights risks to the Group and the principles of the OECD Due Diligence Guidance for Responsible Business Conduct ("OECD Guidance")
- ⊕ The Group's performance in human rights management and room for improvement
- ⊕ Identify human rights risks by employees and suppliers and research results on salient human rights issues
- ⊕ Opinions on grievance channels related to human rights
- ⊕ Plan to enhance human rights management and specific plans for enhancing responsible supply chains
- ⊕ Amendments to the Code of Conduct and the Geely Supplier Code of Conduct

A2.3 How are employees and contract workers made aware of the ways in which respect for human rights should inform their decisions and actions?

The Group's employees can learn about the decisions and actions of the Board and management regarding human rights through the following channels:

- ⊕ Code of Conduct and the Geely Supplier Code of Conduct and related training
- ⊕ Intranet news, employee meetings and employee forums

During the Reporting Period, the Group added more human rights related questions to the performance survey for all employees, and also expressed the Group's increasing attention and attitude towards human rights.

Employees can also provide feedback through the grievance channels listed in the Code of Conduct. In addition, the Group has also established a number of communication channels for employees to provide feedback on human rights and employee interests to the Group through more diversified and customary methods.

A2.4 How does the company make clear in its business relationships the importance it places on respect for human rights?

The Group formulated the Geely Supplier Code of Conduct to which sets out the requirements for suppliers in terms of working environment and human rights, health and safety, business ethics, environmental protection and other aspects, which constitute an integral part of the contracts signed by Geely and its suppliers.

The Group also includes its ESG (including human rights related) performance evaluation as a consideration for the access, continuation or termination of the partnership into the suppliers management. The Group provides suppliers with ESG and training related to the Geely Supplier Code of Conduct to enhance their awareness and management of human rights.

A2.5 What lessons has the company learned during the reporting period about achieving respect for human rights, and what has changed as a result?

During the Reporting Period, the Supply Chain Department of the Group received the feedback from suppliers that they were unclear which standards should be referred to in respect to partial terms of the original version of the Geely Supplier Code of Conduct and how to execute, relevant rules were added while amending the Geely Supplier Code of Conduct (such as the provisions of prohibiting from retention of employees' ID cards were added as to forced labor), so as to make the suppliers more effectively implement the relevant human rights management. The relevant amendments have been approved and officially issued and took effect by the Board in April 2024.

During the Reporting Period, the Group identified the deficiencies of suppliers' due diligence mechanisms of human rights based on the opinions of external stakeholders and benchmarking with industry human rights management, and compared different third-party due diligence agencies. The Group has adopted a mechanism to conduct due diligence on certain suppliers by a third party due diligence firm during the Reporting Period, which will be implemented more widely in 2024.

Part B: Defining the focus of the report

B1 Statement of salient issues: State the salient human rights issues associated with the company's activities and business relationships during the Reporting Period.

During the Reporting Period, the Group developed a human rights assessment method with reference to the Guiding Principles on Business and Human Rights: Implementing the United Nations ‘Protect, Respect and Remedy’ Framework and the OECD Guidance to identify salient human rights issues. A company's salient human rights issues are those human rights that are at risk of the most severe negative impact through its activities or business relationships. Salient human rights issues represents the risks identified by enterprises through the human rights risk assessment, and requires corporate management and further determination of whether they have occurred and taken improvement and remedies.

We temporarily developed a list of potential salient human rights issues (including ourselves and the supply chain) with reference to the following information and considering all individuals and groups whose may be affected by the Group's business activities or through their business relations:

- ⊕ Rights covered by the International Bill of Human Rights
- ⊕ Salient human rights issues database on the website of the United Nations Guiding Principles Reporting Framework
- ⊕ Salient human rights issues identified by outstanding human rights performance enterprises in the automobile industry
- ⊕ Scope of the Code of Conduct and the Geely Supplier Code of Conduct
- ⊕ United Nations Sustainable Development Goals
- ⊕ Core conventions of the International Labour Organization
- ⊕ Human rights risk factors and applicable laws in the main operating areas
- ⊕ Stakeholder opinions
- ⊕ Opinions from external ESG consultants
- ⊕ Related cases from reporting and grievance channels

The potential salient human rights issues preliminarily formulated include:

Prohibition of Forced Labor	Prohibition of Child Labor
Anti-discrimination and Harassment	Occupational Health and Safety
Equal Pay and Opportunity	Living Wage Guarantee
Work Life Balance	Freedom of Association and Collective Bargaining
Information Privacy Protection	Access to Environmental, Ecological and Natural Resources
Rights of Community and Indigenous People	

B2 Determination of salient issues: Describe how the salient human rights issues were determined, including any input from stakeholders.

Based on the potential salient human rights issues preliminarily formulated, we took the following methods to identify and evaluate to determine their importance:

- ⊕ General human rights management evaluation: Performance survey conducted on 100% of global employees included the above potential salient human rights issues to evaluate the Group's management on relevant human rights issues
- ⊕ Detailed human rights questionnaire (random sampling among employees in each of the following groups):
 - Affected groups or vulnerable groups (pregnant women, disabled people, ethnic minorities or indigenous people, migrant workers, sexual minority)
 - Employees of different genders and ages
 - ESG person-in-charge or contact person of business units
 - Human resources personnel of business units
 - Labor union representatives
 - Supplier ESG contact person (applicable for supply chain evaluation)
- ⊕ Related cases from reporting and grievance channels

Through the detailed human rights questionnaire on a sampling basis, we asked respondents whether they had encountered any of the potential salient human rights issues on the list, each potential salient human rights issue's impact (on the basis of severity and likelihood, with the former being weighted more heavily) on the respondents or on the employee group they represented (rather than on the Group or the supplier business they represented) , whether there were other salient human rights issues that were not listed, the ease of access to channels for filing grievances, and suggestions for the channels' language preferences.

Based on the above assessment methods, the Group identified potential salient human rights issues for itself and the supply chain. For details of the relevant assessment results please refer to “8.3.1 Human Rights Protection” and “7.1.2 Supply Chain ESG Risk Management”, respectively.

The human rights assessment system was newly established and applied by the Group, and we will continue to improve the assessment methods to more accurately identify the salient human rights issues in the future.

B3 Choice of focal geographies: If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.

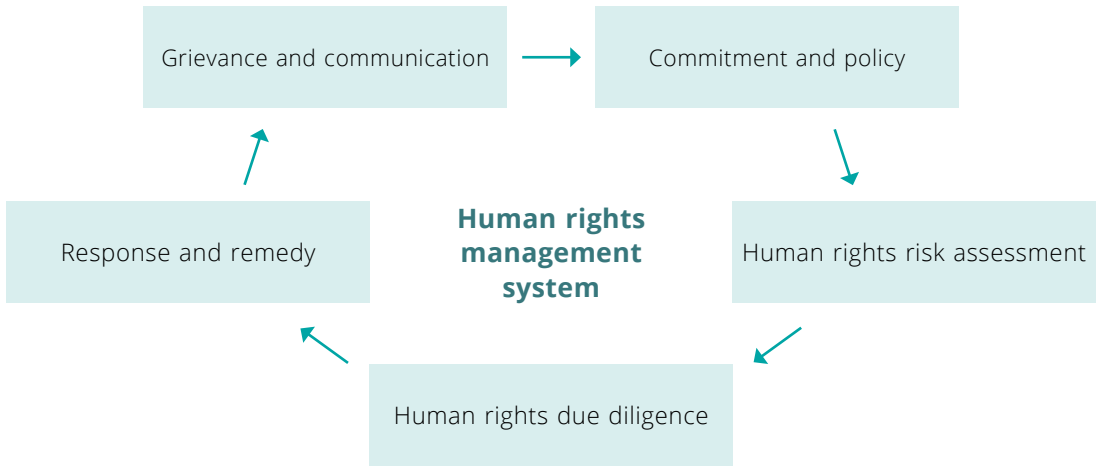
The general human rights management evaluation is for global employees, with the majority of employees located in China. At present, the samples of the detailed human rights questionnaire are concentrated in the main operating area of the Group: China. The Group plans to increase the sampling of detailed human rights questionnaires in other major operating regions worldwide in the future.

B4 Additional severe impacts: Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues, and explain how they have been addressed.

In addition to the above salient human rights issues, the Group identified that just transition has certain social (including human rights) implications. A low-carbon transformation only taking into consideration of environmental indicators regardless of social impact may make employees and suppliers lose their jobs, and some users may lose their right to convenient vehicle mobility due to prices, insufficient infrastructure and extreme weather. Please refer to “Just Transition” in “3.1 Climate Strategy and Targets”.

Part C: Management of salient human rights issues

During the Reporting Period, the Group planned the human rights management system with reference to the Guiding Principles on Business and Human Rights: Implementing the United Nations ‘Protect, Respect and Remedy’ Framework and the OECD Guidance.



Commitment and policy: formulate the Code of Conduct and the Geely Supplier Code of Conduct for publicity and implementation internally and externally

Human rights risk assessment: identify and assess salient human rights issues

Human rights due diligence: conduct due diligence on the assessment results to determine whether the salient human rights issues did actually occur or not in the Group or the supply chain, or the extent of potential risks

Response and remedy: take countermeasures for human rights issues or potential risks to prevent or mitigate their impact, and take remedial measures for human rights issues that caused adverse impact

Grievance and communication: establish an effective grievance mechanism for stakeholders' use, and maintain close communication to actively understand and early prevent human rights risks

For more specific management of salient human rights issues (UN Guidance Principle Report Framework C1-C6.5), please refer to the following sections of this Report:

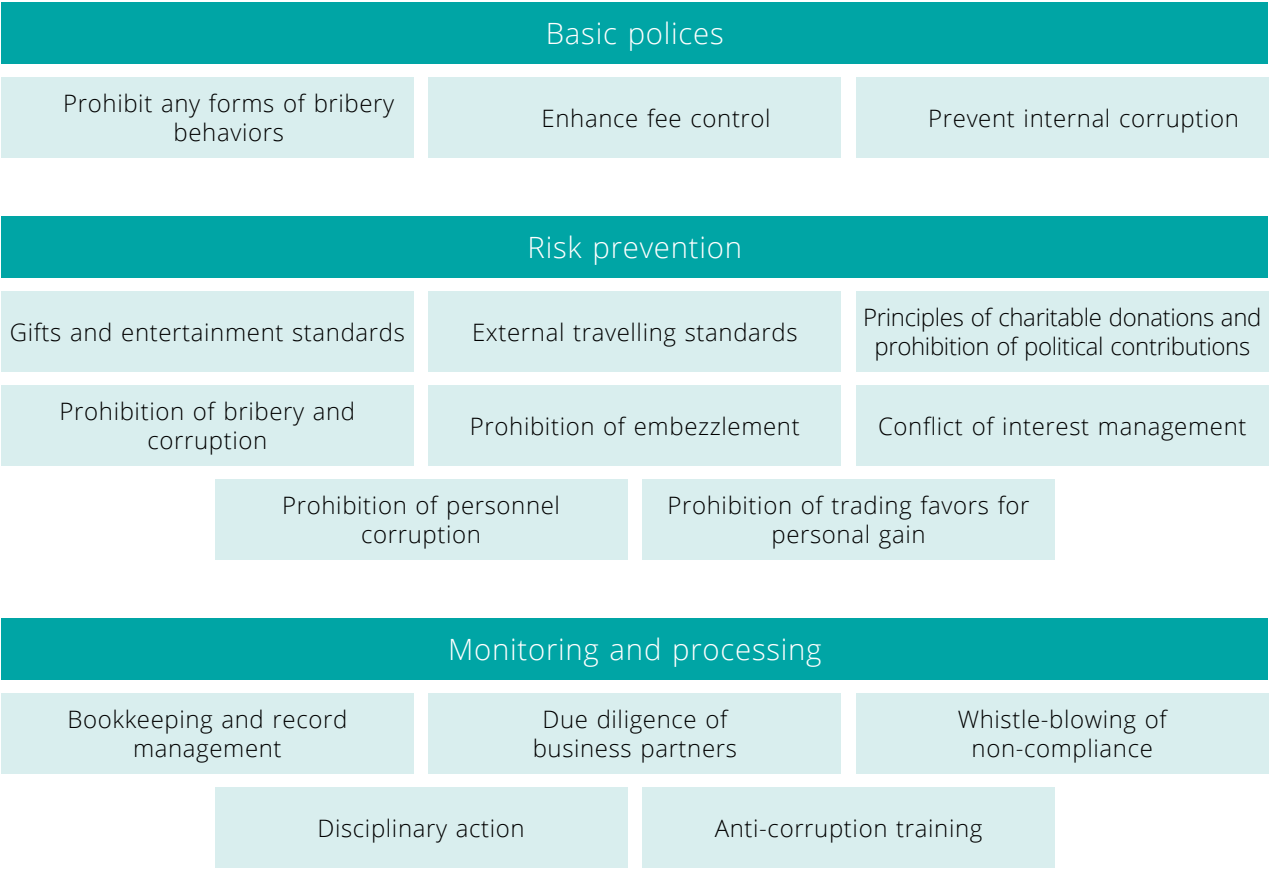
Own-operation: please refer to “8.3.1 Human Rights Protection”

Supply chain: please refer to “7.1.2 Supply Chain ESG Risk Management”

5.3.4 Anti-bribery and Anti-corruption

The Group adopts a zero-tolerance approach to corruption and strictly abides by applicable laws and regulations on fair competition, anti-bribery and anti-corruption in the countries and regions where it operates, as well as the United Nations Convention against Corruption. We have established an internal anti-corruption system consisting of organizational system, policy system, risk prevention and supervision and reporting. During the Reporting Period, we revised and released the Anti-Corruption Policy (2nd Edition) to allow all stakeholders better understand the Group’s anti-bribery and anti-corruption requirements. When directors, employees and other relevant personnel to whom the Anti-Corruption Policy applies violate relevant laws and regulations, they will be subject to relevant disciplinary actions and transferred to judicial authorities.

Anti-corruption management system:



In 2023, the Group investigated and dealt with a total of 15 corruption-related incidents, of which 0 lawsuit filed against the Group or employees was concluded. A total of 4 people were dismissed or blacklisted by the Group due to corruption. No business partner was terminated due to corruption, and we have taken relevant actions to recover losses and prevent the occurrence of similar incidents.

Anti-corruption management system

Organizational System	⊕ The Compliance Department, Legal Department, Internal Control Department, Discipline Inspection and Supervision Office, Internal Audit, and business units' compliance management functions jointly form the Group's anti-corruption system.
Policy System	⊕ Compliance management measures and detail implementation include the Code of Conduct, Anti-Corruption Policy, Management Measures for Compliance Consultation, Reporting, Investigation and Reward, Implementation Rules for Disciplinary Actions in Compliance Supervision, etc.
Risk Prevention	⊕ Through the introduction of corporate culture, training, organizing key positions and risk identification, compliance performance evaluation, mutual supervision, etc., forming an all-round corruption risk prevention extending from ideology to supervision, auditing and investigation.
Monitoring and Reporting	⊕ The Group has publicly disclosed anti-corruption reporting channels, including mail and telephone in the Anti-corruption Policy, and kept the whistleblowers and reporting contents strictly confidential. The Discipline Inspection and Supervision Office and Compliance Department irregularly carry out inspections, spot checks and investigations. The Group has developed standardized case investigation procedures, set up multiple internal and external reporting channels, including the OA platform, telephone, email, WeChat official account of supply chain compliance management, and developed a digital management platform to realize online closed loop management covering the acceptance of reporting information, development of investigation plan, investigators arrangement, upload of investigation report, approval of disposal plan and investigation event archiving, to minimize human interference.

Anti-corruption and integrity education training

Anti-corruption and integrity education are important components of compliance training for all employees of the Group. During the Reporting Period, the Group focused on publicizing and implementing the Anti-Corruption Policy, Prohibition of Internal Corruption, Employee Violation Punishment System etc. to all employees, including the Board and senior management, with an average training time of 2.6 hours per person.

For business partners such as suppliers and dealers, the Group has included the Special Conditions of Integrity and Self-discipline in the contracts to ensure strict compliance with the requirements of integrity and self-discipline during the cooperation. The Anti-Corruption Policy, Management System on Compliance of Business Partners, Management System on Gifts and Entertainment, etc. further standardized the management of business partners and related handling procedures, effectively preventing corruption behaviors in business dealings. Meanwhile, the Compliance Department conducts anti-corruption related communication and training to business partners. During the Reporting Period, the proportion of dealers and contractors participating in anti-corruption training (including the Anti-Corruption Policy) reached 100%, and the total training hours exceeded 5,600 hours; 1,141 suppliers (including tier 2 suppliers) participated in anti-corruption training (including the Anti-Corruption Policy), and the total training hours exceeded 620 hours. The Group also conducts annual and periodic compliance due diligence evaluations on business partners, and puts forward rectification requirements for business partners who fail the evaluations. For those who have serious violations, the cooperation qualification may be cancelled.

5.3.5 Business Ethics

Conflict of interest

All employees of the Group shall make their best efforts to avoid any conflicts or potential conflicts between personal interests and the interests of the Group. In 2023, the Group issued an updated version of the Management System on Conflict of Interest to improve the approval process related to conflicts of interest, and improved the types and requirements of conflicts of interest in the Code of Conduct (3rd edition), further clarifying that all employees shall avoid conflicts of interest at all cost. For more details on conflicts of interest, please refer to the Code of Conduct (3rd Edition) and the Anti-Corruption Policy (2nd Edition).

During the Reporting Period, we strengthened the screening of external investments and employment of employees, improved the conflict of interest management system and incorporated it into the new employee training courses. The employee signing rate of the Conflict of Interest Declaration was 100%.

Fair competition

The Group upholds the principle of fair competition and abides by the laws and regulations on anti-monopoly and anti-unfair competition, and requires relevant business partners to comply when cooperating with suppliers and other entities, so as to protect fair and open competition from improper influence. We do not engage in monopolistic behavior such as unifying prices with competitors or limiting product production and sales volume. Meanwhile, we have built a fair competition resource database to sort out and compile a list of common monopoly risks and unfair competition behaviors to help employees better understand and improve their fair competition literacy. The Group conducts regular anti-monopoly compliance audits and strengthens training and publicity on anti-monopoly laws and regulations. For more details on fair competition, please see the Code of Conduct (3rd Edition).

As of the end of the Reporting Period, the Group had not received any legal proceedings related to unfair competition, violations of antitrust or anti-monopoly laws.

Protection of intellectual property rights

The Group strictly abides by the relevant laws and regulations on intellectual property protection in the countries and regions where it operates. We identify and evaluate intellectual property risks in different business scenarios, combine management and control plans with processes, systems and specifications, improve intellectual property management and risk assessment, and embed them into the entire product lifecycle. The Group has established a digital management platform to standardize the internal intellectual property application. The Group protects its intellectual property rights through internal intellectual property management system and external agency control. Through internal and external intellectual property transfer/licensing, achievement transformation, value management, etc., we conducted intellectual property rights operation.

During the Reporting Period, Geely Auto had a total of 25,045 patents, with 701 new patent authorizations this year and 4 new overseas patent authorizations, covering more than ten countries in Asia-Pacific, North America, and Europe. The total number of ZEEKR patents is 1,258, with 621 new patent authorizations this year and 34 new overseas patent authorizations. In the future, we will continue to strengthen our global patent layout, enhance the Company's global market competitiveness and its ability to withstand global patent litigation risks.

The Group also actively participates in the industry work of combating counterfeit and infringing auto parts, formulates normative documents and develops relevant training courses, provides an email address to collect opinions from stakeholders such as the market, car owners, the public, etc. and joins the Alibaba Anti-counterfeiting Alliance (AACAA) to work together to protect the legitimate rights and interests of consumers.

During the Reporting Period, the Group did not have any concluded legal proceedings related to intellectual property infringement.

Tax transparency

The Group conducts taxation work in accordance with laws and regulations, strictly abides by the taxation laws and regulations in places where we operate. We refer to the laws and regulations of China's transfer pricing and the OECD Transfer Pricing Guidelines, and taking arm's length principle as the basic principle for pricing of the related party transactions within the Group to carry out our cross-region transactions on basis thereof. The Group's commitments to tax strategy include but are not limited to: complying with the spirit and text of the tax laws and regulations of the regions where the Group operates; not transferring the value created to a jurisdiction with low tax rate; not using tax structure without commercial substance; making transfer pricing according to the principle of fairness; not using non-transparent jurisdiction or so-called "tax havens" to avoid taxes, including taxation base erosion and profit shifting.

External donation

The Group is committed to making positive contributions to the community where it operates but does not seek undue advantage through charitable donations. Meanwhile, directors, employees and business partners who conduct business in the name of Geely are not allowed to engage in political donations. For more specific regulations on charitable donations and political donations, please refer to the Anti-corruption Policy (2nd Edition).

During the Reporting Period, the Group did not have any political expenditures or donations.

5.3.6 Audit and Supervision

The Internal Audit Department has adequately included compliance in the annual audit plan's scope, including, but not limited to, compliance related policies such as the Code of Conduct, the Geely Supplier Code of Conduct and the Anti-Corruption Policy. Non-compliance issues identified in the audit or relevant control deficiencies are reported in the audit report in which the auditees are required to rectify. Severe violations found are transferred to related departments for disciplinary actions. For more information on internal audit, please refer to "5.2 Risk Management and Internal Control".

We have formulated the Whistleblowing Policy which aims to provide an avenue for employees, suppliers, customers, etc., who deal with the Group to raise any suspected misconduct or malpractice within the Group. Persons making appropriate whistleblowing in accordance with the Whistleblowing Policy are assured of protection against unfair dismissal, victimization, retaliation or unwarranted disciplinary action. The Group has the right to take appropriate legal action against any persons who victimize or retaliate against the whistleblowers, and punish (including instant dismissal) them if they are employees. The Group's management support and encourage employees to raise their concerns without being afraid of retaliation.

In addition, any personal information collected during the inspection will be kept highly confidential in accordance with the Hong Kong Personal Data (Privacy) Ordinance (if applicable), and will only be disclosed and processed by designated persons authorized by the Audit Committee.

5.4 Data Responsibility and Privacy Protection

The Group's data responsibility management focuses on the electrification and intelligent transformation of the automobile industry to ensure that digital transformation matches business development. We comply with national and international laws and regulations on information security and cybersecurity, achieving a close connection between information security, privacy protection, business needs, and technology updates. During the Reporting Period, the Group further identified and focused on Internet of Vehicles security, responsible artificial intelligence (AI), and export data security risks.

Internet of vehicles security

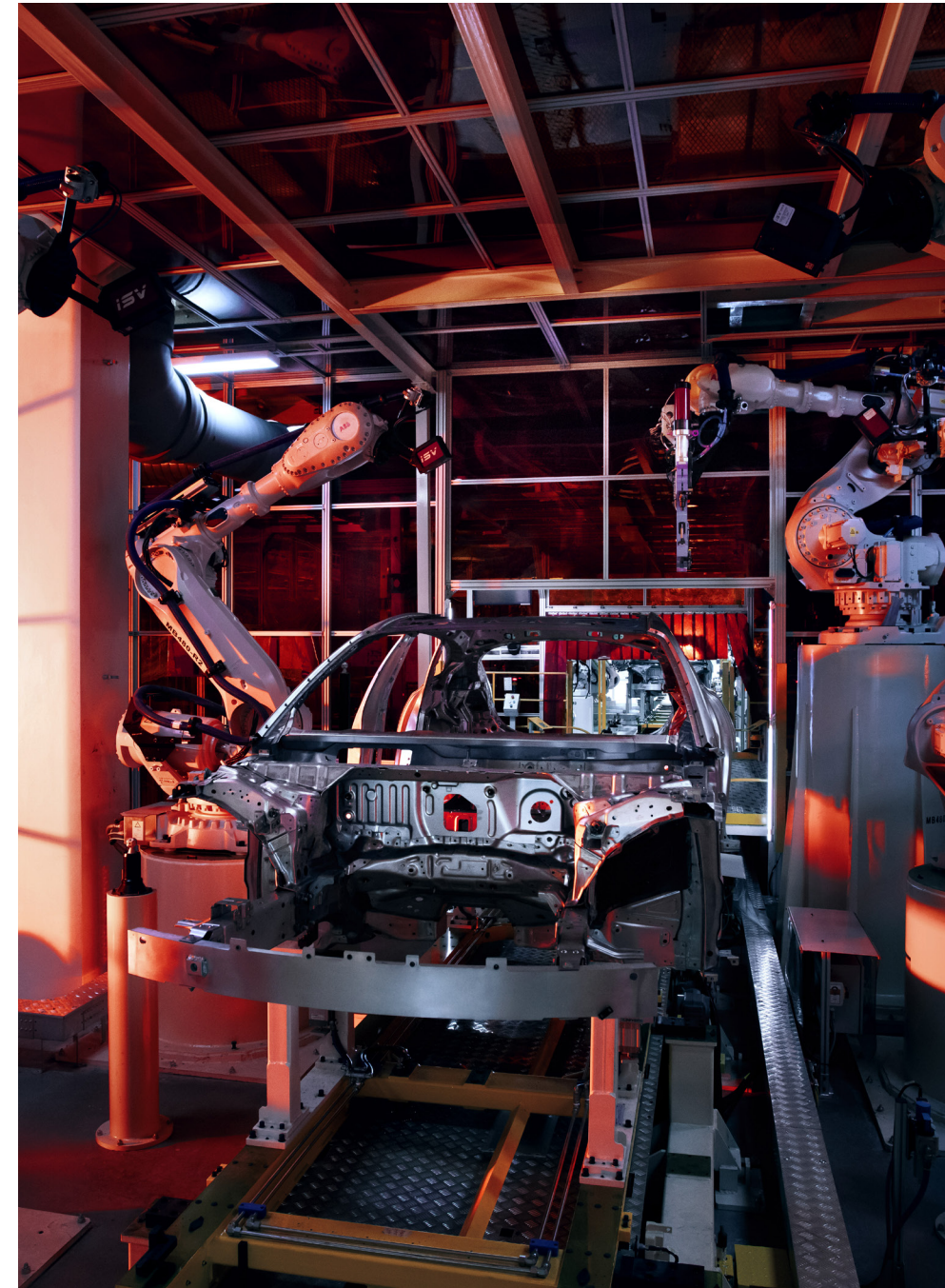
With the development of connected vehicles and autonomous driving, we focus on and ensure the security of software development and Internet of Vehicles. The Group has complied with the requirements of the United Nations Economic Commission for Europe (UNECE) cybersecurity vehicle regulations and the ISO/SAE 21434 Road Vehicle - Cybersecurity Engineering Standard, indicating that the Group has established a complete cybersecurity management system and ensures cybersecurity throughout the entire product lifecycle.

Responsible AI

With the in-depth use of automation and data-driven decision-making in operation management and user services, the responsible use of AI has become one of the key issues in our value-oriented digital transformation. In 2023, we issued the Responsible Use of Artificial Intelligence document for algorithm platform personnel, putting forward Geely Auto's views on AI ethics, adhering to the four principles of "responsible use", "interpretability", "privacy protection", "safety and reliability", and ensuring that the purpose of employing AI is to support the productivity of employees and partners, not to provide third parties with access to customer data for any surveillance purposes, and to provide a clear outcomes based accountability. The guiding principles of "trust" and "transparency" allows the Group to continue to advance towards fair, equitable and inclusive digital transformation in business, user, and other AI application scenarios.

Export data compliance

The Group strictly abides by the information security and privacy protection laws and regulations applicable to the place of export, including but not limited to the European Union's General Data Protection Regulation (GDPR), Japan's Personal Information (APPI), etc. The Group was certified by the World Forum for Harmonization of Vehicle Regulations (WP.29) of the United Nations Economic Commission for Europe (UNECE) with the world's first mandatory regulation R155 on automotive information security and mandatory regulation R156 on software upgrades. We continue to promote the effective implementation of compliance requirements related to information security and privacy protection in commercial activities, such as the basic principles of personal data processing, response to data subject rights, obligations of data controllers and processors, cross-border transfer of personal data, etc., and invite third-party experts such as legal advisors to jointly conduct data compliance assessments on export vehicle models.



5.4.1 Information Security

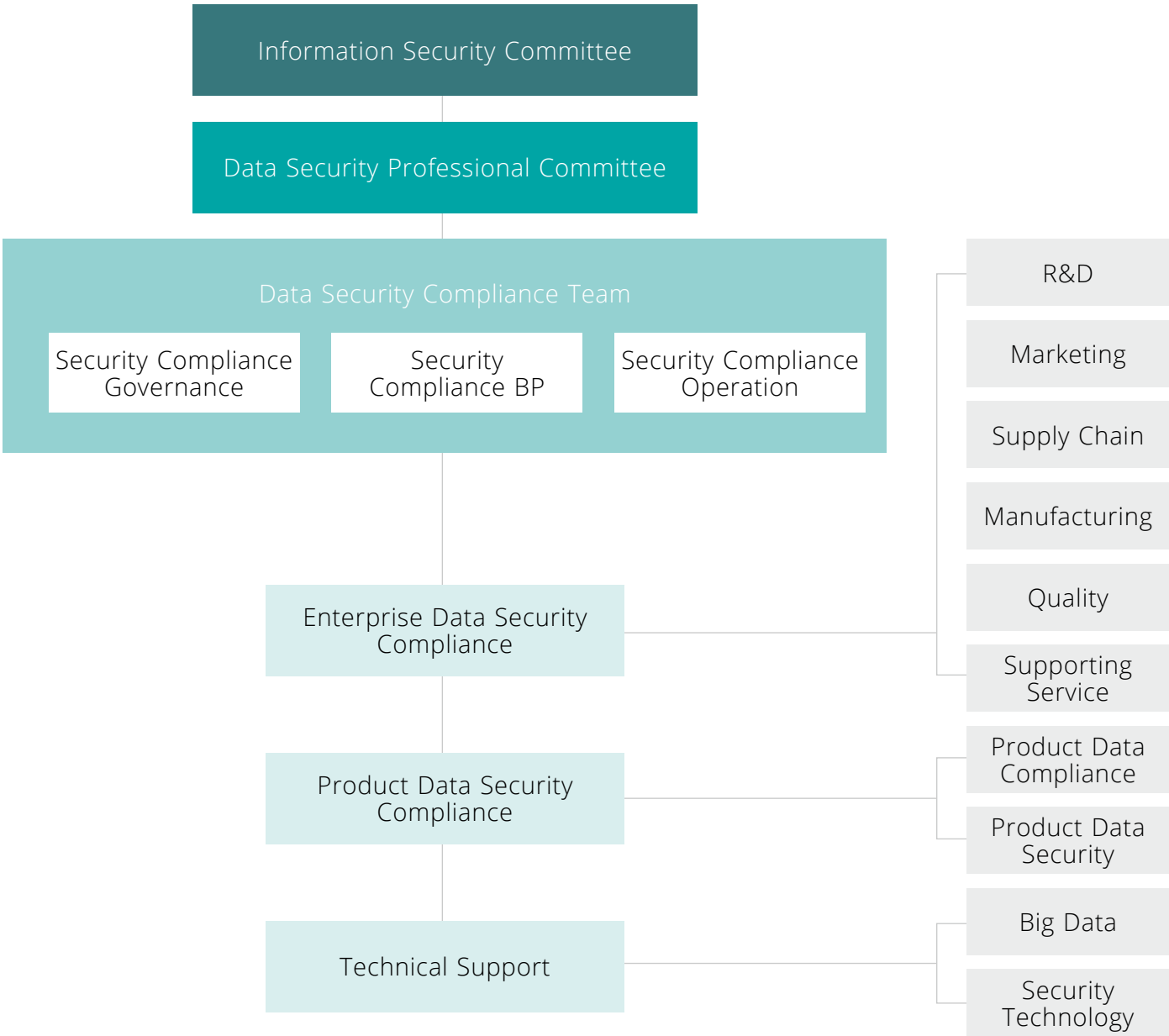
The Group strictly abides by applicable laws and regulations on information security in the countries and regions where it operates, and has established a security management system in accordance with standards such as ISO 27001 Information Security Management System and Automotive Cyber Security Management System (CSMS), including organizational structures, policies and processes, and technical tools, regular operations and cultural awareness cultivation.

Information security management structure

The Group adopts a management model with clear division of authority and responsibilities and four levels of coordination. The Information Security Committee is established at the Group level as the highest decision-making body for information security, and the Group has set up the Data Security Professional Committee and the Data Security Compliance Team to coordinate and cover the three major areas of the “Enterprise Data Security Compliance” at the Group level, “Product Data Security Compliance” at the product level, and “Technical Support”.

The Information Security Committee is composed of 3 executive directors of the Company, the Chief Information Officer, the Chief Legal Officer. It holds at least 2 meetings each year and reports major information security issues to the Board once a year, and the Board supervises and makes decisions on such matters.

Through the participation of all employees and partners, Geely Auto has established a mechanism to distribute and coordinate work at different levels to ensure comprehensive support and protection for various activities. We hold monthly network and data security monthly meetings to jointly evaluate and discuss the management of the three major areas of cybersecurity, data security, and privacy security, ensuring the sound operation of each business.



System and process management

The Group has formulated a comprehensive security management system and established three systems: Information Security Management System (ISMS), Privacy Security Management System (PSMS), and Data Security Management System (DSMS), and gradually transformed from multiple systems in coexistence to one set of implementation Standards.

Information security training

The Group carries out information security awareness training for all employees, with different training content for all employees, directors and executives, and employees in high-risk positions. The training courses are updated annually based on the actual conditions. During the Reporting Period, Geely Auto conducted online information security training and examinations for 100% of its employees to ensure that employees mastered the training content, with more than 1 hour of training per person; 100% of employees in information security positions participated in special training including the information security system, incident investigations, and practical drills, with an average training time of 5 hours per person; 5 directors of the Group participated in information security-related training, with an average training time of 2 hours per person.

Risk management

The Group issued the Information Security Risk Assessment Management Standards and conducts annual information security risk identification and assessment. It includes the information security risks that have occurred in the Group and peer companies in the previous assessment cycle. A combination of management and technology is adopted to conduct comprehensive analysis and verification of risk situations:

- ⊕ Management: Test the feasibility of management system policies and the effectiveness of management work, and identify potential management loopholes;
- ⊕ Technical: Identify risks at the business system and network technology level through third-party technical assessment, including attack and defense drills, vulnerability scanning, penetration testing, black and white box test scanning, security baselines, and benchmarking against best practices.

Based on the risk assessment results, we implement necessary security control measures at the management level, technical level or physical level to mitigate, eliminate or avoid risks.

Software development security control

We developed a complete software development lifecycle management system to effectively improve the security development capability of developers, avoid wasting time and manpower in pre-release repair work, improve the ability of application systems to resist threats and improve the prevention capability of application systems. We built a software development security control platform (G-SDLC) to cover the full cycle of information system management in all areas of the Group. The platform has incorporated security compliance requirements into the requirement design library, and provides comprehensive automated tools including static code, open-source components, application security, container mirroring security, mobile applications (App) security and privacy compliance inspection capabilities, forming a standardized management of the entire process of project creation, requirement design, coding, testing, release and operation and maintenance.

Meanwhile, we conduct 4 times a year on average the red and blue team attack and defense drills and simulated hacker intrusions covering all business areas of the Group to evaluate the reasonableness and adequacy of our response plans and staffing, and to ensure that our incident handling teams are fully conversant with the emergency handling process so to avoid exposing major vulnerability risks.

Security incident management and control

The Group conducts an average of 4 penetration tests and vulnerability analyses on key business systems (including operating systems, database systems, middleware, network devices, etc.) each year, and conducts attack and defense drills and network protection operations irregularly to identify and rectify security risks. During the Reporting Period, ZEEKR conducted 2 data security protection drills and 3 external information security protection drills.

Regarding information security, the Group has formulated and improved the Information Security Event Management Regulations, Information Security Violation Management Regulations, Information Security Reward and Punishment Implementation Rules, etc., covering information security management and control of the whole business chain, and linking information security management performance with departmental and employee performance. Employees will be subject to penalties including deduction of performance bonus and disciplinary actions based on the risk level for their information security violations. Employees who make outstanding contributions to information security work, report relevant incidents or assist in investigations will be rewarded. We encourage senior management to carry out information security awareness promotion and improvement work. All employees of the Group have the obligation to notify and report information security incidents that occur. Information security management functionaries shall promptly determine whether an incident is an information security incident, determine the level of the information security incident, immediately report it to the Information Security Department and take measures. The relevant departments shall give priority to business restoration for information security events that affect business systems.

Security operations, monitoring and incident response

The Group established a unified operation analysis platform and a security operation center to continuously monitor 24/7. Utilizing big data, we gradually build security risk identification capabilities, security risk disposal capabilities, and security operation governance capabilities through technologies such as correlation analysis, machine learning, and threat intelligence, further improve security operation indicators, shorten the time for discovery and handling security incidents, achieve same-day response, and evaluate the quality of security incident execution. The Group has upgraded from “passive defense” to “active defense”, providing decision-making support for risk assessment and emergency response for security management, and providing effective tools for threat discovery, investigation and analysis, and response handling for safe operations.

In terms of preventing information leakage, the Group has built an integrated office data security platform “Yilian”, covering tens of thousands of corporate employees and supplier terminals with the Secure Access Service Edge (SASE) platform, breaking the traditional dilemma of deploying more than 10 security products. Under digital transformation, the identification rate of information security incidents has been increased by 150%, and information security operation costs have been reduced by nearly 40%; the internal corporate workflows have been simplified and efficiency has been improved, effectively providing employees and suppliers with protection and ease of application in a variety of flexible scenarios such as hybrid office, remote office, etc. In addition, the platform sends information security data to the information security officers of each department every month for information security audits, and the monthly audit report is sent to each business unit. Improvement issues are communicated at biweekly regular meetings and closed loop management is required. Such operational indicators are included in the annual department performance indicator assessment.

Information security audit

The Group regularly conducts security policy audits and security technology implementation verification in accordance with the Data Security Audit Management Regulations. The Information Security Department, in conjunction with the Digitalization Center and the Internal Audit Department, conducts information security reviews at least once a year for the units in the operation system to confirm the effectiveness of the information security management system and make timely recommendations for improvement. During the Reporting Period, the internal audit also audited the protection of user information. Besides, we focused on network security inspection and self-inspection of the industrial control systems at the manufacturing plants, and conducted comprehensive tracking and management of high-risk data backup, anti-virus, USB disk control, etc. We regularly generate inspection results and require rectification of problematic items on a monthly basis.

The Group issued policies such as the Information Security Vulnerability Management Regulations and the Information Security Incident Emergency Response System, and established an information security incident handling team to conduct hierarchical management of information security incidents. We classify incident levels based on three factors: importance of information and carriers, loss assessment, and scope of impact, and carry out targeted alert monitoring and response handling based on the assessment results. The Group also assigns dedicated personnel to be responsible for network threat tracking and vulnerability management, and formulates emergency response plans and reviews for common information and cybersecurity incidents (such as brute force cracking and vulnerability attacks).

During the Reporting Period, the Group had no information security vulnerabilities or other cybersecurity incidents for 4 consecutive years, nor has it been involved in any related fines.

Information security external certifications and honors

The Group has obtained multiple external certifications to ensure information security. The Group has obtained ISO 27001 Information Security Management System certification for 5 consecutive years since 2018, covering business scopes such as R&D, production, sales, supply chain and service support systems. ZEEKR has also obtained certifications of ISO/IEC 27701 Privacy Management System and ISO/IEC 38505 Data Governance Security Management System. In terms of information security for external operating platforms, operating platforms such as Geely Auto, Lynk & Co, Geometry Auto App, ZEEKR Smart App, and ZEEKR Internet of Vehicles platform have all obtained information security level protection certification. In addition, Geely Auto has conducted a comprehensive assessment and certification of vehicle safety and has obtained the CSMS certification, and relevant models have obtained Vehicle Type Approval (VTA).

Geely Auto has achieved outstanding information security performance and was awarded the Data Security Governance Level 3 (the highest level) certificate issued by the China Academy of Information and Communications Technology (CAICT) in January 2023, becoming China's first car brand to reach the Level 3 standard. In March 2023, ZEEKR was elected as the deputy director of the Automotive Cybersecurity Working Committee of the China Cybersecurity Industry Alliance (CCIA).

5.4.2 Privacy Protection

The Group has established various national/regional data protection officers (DPOs) and privacy protection compliance officers for each unit under the Compliance Management Department, clarifying the organizational structure and division of responsibilities for privacy protection compliance management, defining the requirements of privacy protection for each business unit and functional department, and maximizing satisfaction of the compliance requirements of laws and regulations, users and the industry.

Geely Auto attaches great importance to user privacy protection, strictly complies with global privacy protection related laws and regulations, maximizing respect and protection of the privacy rights of all parties. We have improved our privacy protection compliance management system with reference to the IEC/ISO 27701 Privacy Management System Requirements, and implemented the eight basic principles of privacy protection:

- 1. Legitimate and justifiable: The Group shall comply with the laws and regulations of the country/region where its business is located when conducting personal information processing activities;
- 2. Consistent rights and responsibilities: During the course of business, the Group shall be required to take appropriate technical and other necessary measures to ensure the security of personal information and assume responsibility for the subject of personal information;

- 3. Clear purpose: Personal information processing activities must have a definite, clear and specific purpose for personal information processing;
- 4. Choice of consent: To ensure the right of the subject of personal information to make independent choices, and to express the purpose, method, scope and other rules of personal information processing to the subject of personal information during the course of business, and to seek their authorization and consent;
- 5. Minimal necessity: Ensure that the business only processes the minimum type and quantity of personal information required to meet the purpose authorized by the subject of personal information, and delete personal information in a timely manner once the purpose is achieved;
- 6. Publicity and transparency: Personal information shall be processed in a clear, understandable and reasonable manner, including the scope, purpose and rules, and subject to the external supervision;
- 7. Ensuring security: The Group shall have security capabilities that match the security risks to it exposes, and take sufficient management measures and technical means to protect the confidentiality, integrity and availability of personal information;
- 8. Subject participation: The Group shall provide the subject of personal information with methods to inquiry, correct or delete their personal information, withdraw authorization or consent, deregister accounts and file complaints during the course of business.

Privacy security engineering

Geely Auto is committed to integrating privacy protection principles into the existing product development system to ensure the privacy compliance of developed products. The Group has formulated the Product R&D Privacy Development Management Regulations, IT System Development Life Cycle Privacy Protection Compliance Management Regulations, Automotive Privacy Development Compliance Management Regulations, Mobile Internet Application Compliance Management Regulations, etc., to conduct privacy risk assessment and management throughout the entire process of product requirements, product design, development and testing, and pre-launch/market launch, ensuring that privacy protection awareness is integrated into product design and daily business operations. During the Reporting Period, ZEEKR updated and released the User Privacy Policy and made every effort to protect users' rights to access, copy, correct, supplement, delete personal information and change authorization status.

Full-process protection of consumer privacy

Information Collection	⊕ It is clearly required that when collecting the personal information of potential customers and actual customers, including test drives, new car delivery and other scenarios, all units shall first obtain the user's consent (if it is necessary to collect the information of minors, the permission of their guardians shall be obtained), and sign a privacy agreement with customers, abide by the privacy protection principles of clear purpose, minimum necessity, legality, openness and transparency, and shall not collect personal information irrelevant to the services provided; shall not collect or use personal information in violation of laws, administrative regulations and the agreements of both parties; and shall process the personal information it collects in accordance with laws, administrative regulations and agreements with users.
Information Use	⊕ In the process of information use, ensure that the purpose of using consumer personal information is reasonable and minimally necessary. For scenarios involving the aggregation and integration of personal information and automatic decision-making of information systems, corresponding data protection impact assessments (DPIA) shall be carried out in accordance with applicable laws and regulations, and effective measures shall be taken based on the assessment results. In response to the potential user privacy risks of developing of intelligent driving, data should be desensitized promptly (such as blurring faces), and the collected data shall not be associated (such as face ID and vehicle identification number).
Information Storage	⊕ Multiple measures are taken to ensure the accuracy and security of personal information storage, including: specifying the storage period of personal information processed by each unit, ensuring that personal information is only retained for the shortest time necessary to achieve the purpose of personal information processing; adopting a comprehensive access control strategy to ensure that business departments cannot directly obtain original data, restricting access to personal information only to authorized personnel, and strictly monitoring and recording access behaviors, reducing the risk of data leakage and abuse; and encrypting personal sensitive information using encryption technology to further ensure the security of personal information.
Information Transmission and Disclosure	⊕ In accordance with the privacy protection principles of consistent authority and responsibility, clear purpose and security, the Group specifies that when the transfer of personal information involves entrusting, sharing, transferring, transmitting and disclosing to third parties, the Group shall take necessary management measures to protect the rights and interests of the subject of personal information, such as desensitization of personal information. In addition, the Group handles the cross-border transfer of personal information with care and has set up a strict review process.
Personal Information Security Management	⊕ The Group issued the Personal Information Security Management Control Procedures and the Personal Information Protection Management System, clarified additional security requirements during the life cycle of the collection, transmission, storage, use, deletion and destruction of consumer personal information, and clarified the security principle of graded protection of personal information to prevent unauthorized access, disclosure, damage or loss of personal information.
Consumer Privacy Rights Protection	⊕ The Group strives to facilitate the channels for responding to the rights of personal information subjects and to protect the basic rights of personal information subjects, such as the right to access, copy, correct, know, delete, carry, self-determine, restrict processing, reject, and obtain explanation. The Group has set up a dedicated customer service telephone line and a privacy protection email feedback channel to actively respond to requests for the rights of personal information subjects.

Privacy protection compliance system and training

During the Reporting Period, the Group conducted privacy protection training for 100% of employees, with an average training time of 2 hours per employee. The Group has established and released a fourth hierarchy privacy protection compliance management system covering management systems, procedural documents, process guidelines and sheet tools, providing comprehensive guidance and standard for reference, and promoting it to key personnel. Also, the Group set up a mechanism covering policies and specifications, planning reporting, operation control, meeting communication, event reporting, compliance filing and supervision and evaluation, to make sure the effective operation and closed-loop.

Privacy protection audit and inspection

During the Reporting Period, the Group reviewed systems and management processes such as the Personal Information Protection Management Regulations and the Automotive Privacy Development Compliance Management Regulations. In response to the deficiencies and gaps discovered during the implementation process, we further standardized the privacy management processes for mobile terminals and vehicle terminals. During the development and deployment of product functions, the Group strictly abides by relevant laws and regulations, including requirements for the collection of personal information and the protection of user privacy. The Internal Audit Department also conducted audit of general data protection regulations and desensitization processing of users' personal information.

Privacy incident emergency response

The Group issued the Privacy Incident Response Management Regulations, which clarified the classification criteria for privacy incidents, the responsibilities and handling processes of each department during the disposal process, improved the efficiency and effectiveness of privacy incident reporting and emergency response, and further improved the Group's management requirements on privacy incident filing, analysis and summary.

During the Reporting Period, the Group had no leakage of user data/privacy, and received no complaints related to loss of consumer data and privacy protection.

5.4.3 Third-party Information Security and Privacy Protection Control

With the advent of the era of intelligent network, the value chain cooperation of the automotive industry has become more diversified and is linked to software and technology fields, cross-industry cooperation and data-driven cooperation to promote innovation and enhance the competitiveness of products and services. Therefore, the open cooperation of multiple entities and cross-domains requires Geely Auto to ensure information security and privacy protection for itself and consumers under more complex scenarios.

During the Reporting Period, the Group actively promoted the system integration of value chain data security management, including the evaluation of suppliers' information security and privacy protection capabilities into the supplier management evaluation system. Geely Auto has formulated the Data Security Management Procedure for Partners to clarify the management requirements and responsibilities of both parties. ZEEKR has formulated the Supplier Information Security Management Procedure and Supplier Cybersecurity Management Procedure to incorporate cybersecurity requirements into supplier accreditation review. In addition, for specific service providers such as information systems providers, we require them to obtain ISO 27001 certification etc., and conduct on-site/flight reviews of risky suppliers. Lynk & Co implements standardized management of data contracts for all dealers and service providers, and adds data compliance and data processing related clauses to the contracts to protect the personal privacy and security of consumers.

Meanwhile, the Group actively plans the work arrangements for the next year, focusing on formulating a hierarchical management system for partners/suppliers and conducting correlation analysis. This work will be mainly based on ISO/SAE 21434 to define the responsibilities for various groups and confirm the potential impact of key vehicle components on vehicle information security.

In order to standardize the personal information processing activities of third parties, reduce the risks of personal information processing, and ensure the legality and compliance of third-party personal information processing activities, the Group has issued the Regulations for the Management of Third-Party Processing of Personal Information, which clarified the basic process for third-party processing of individuals (including but not limited to scenario identification for conducting third-party processing, data protection impact assessment, notification of consent and agreement signing, third-party privacy processing control and inspection and audit).. During the Reporting Period, the Group clearly required all business units to sign the Compliance Commitment Letter when cooperating with third parties, and to include data security processing protocols, cybersecurity standards, etc. in technical documents. We have achieved a 100% signing rate for the Data Security Processing Agreement among R&D suppliers.

In addition, the Group has formulated a third-party privacy compliance management process and carried out system requirement training. During the Reporting Period, 3 information security trainings were conducted for suppliers, covering 369 suppliers, with an average training duration of 3 hours. ZEEKR conducted 20 information security trainings for suppliers, covering more than 100 suppliers.

6

Consumer Interest

Material
Issues

- ⊕ Product
Quality and
Safety
- ⊕ Customer
Service and
Satisfaction
- ⊕ Sustainable
Mobility



Product Quality and Safety

- ⊕ 6 models available with a 5-star safety rating from C-NCAP and 1 model available with a 5-star safety rating from Euro NCAP
- ⊕ Geely Galaxy L7 becoming the first hybrid SUV model with 5-star C-NCAP certification
- ⊕ Geely Galaxy E8 received China's first six-dimensional electrical safety system certification, Certificate No. 001
- ⊕ Lynk & Co 09 won the first batch of "China Health Car" certification
- ⊕ ISO 9001 Quality Control System certification
- ⊕ 1 voluntary recall with a total of 22K vehicles
- ⊕ Ranking in J.D. Power 2023:

Geely brand

- China APEAL: **No. 1** Chinese domestic brand; Geely Preface, Geely Emgrand ranked **No. 1** in their segments
- China NEV-APEAL: Geometry E ranked **No. 1** in segment
- China IQS: **No. 2** Chinese domestic brand; Geely Boyue/Boyue X ranked **No. 1** in their segments

Lynk & Co

- China VDS & China TXI: **No. 2** Chinese domestic brand and **No. 1** mass market ICE models

Customer Service and Satisfaction

- ⊕ Ranking in J.D. Power 2023:

Geely brand

- China CSI & China SSI: ranked **No.1** and **No.3** among Chinese domestic brands

ZEEKR brand

- China NEV-CXVI: **No. 1** in customer experience value

Sustainable Mobility

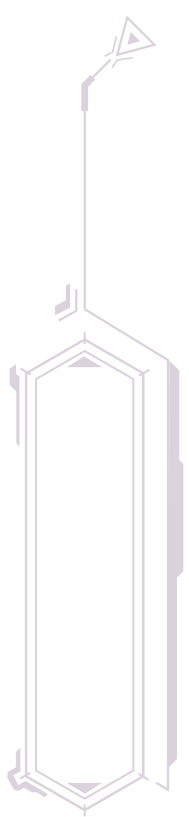
- Accumulated subscription of Lynk & Co in Europe exceeded 38K units

ESG Strategy: All-round Safety,
Digitalization & Innovation,
Co-Prosperity



With the mission of "Creating a travel experience that exceeds expectations", the Group focuses on the interests of consumers while deeply integrating the concept of relevant sustainable development goals. We are committed to continuous optimization and innovation in the following aspects of products and services to achieve social, environmental, and economic harmony:

- ⊕ Product quality and safety ("6.1 Product Quality and Safety")
- ⊕ Customer service and satisfaction ("6.2 Sustainable Services")
- ⊕ Sustainable mobility ("6.3 Sustainable Mobility")
- ⊕ User privacy ("5.4.2 Privacy Protection")



6.1 Product Quality and Safety

6.1.1 Product Quality and Safety Management Structure

The Group has established the Geely Auto Total Competitiveness Quality System ("GTQS") as the quality and safety management system for all car brands of the Group. Under the GTQS management system, the Group has developed a hierarchical quality management organizational structure and a regular meeting system to manage product quality and safety issues, risks and opportunities, with an upward mechanism established based on their importance: monthly president's quality meeting (led by the CEO of each brand business group), monthly quality management committee meeting (led by the senior vice president of Product Quality And Safety Department), general manager-level monthly quality meeting, deputy general manager-level weekly meeting, quality center daily meeting, and regular thematic meetings.

In terms of daily management responsibilities for product quality and safety at the Group level, the Group has designated a senior vice president of the Product Quality and Safety Department, who is overall responsible for product quality and safety and leads the relevant daily work. For each brand, there is a product quality and safety director responsible for: implementing regulations and standards related to product quality and safety, formulating quality management systems, specifications, responsibilities and assessments, guiding and inspecting the implementation of quality and safety responsibilities, formulating and supervising risk control measures for product quality and proposing improvement measures, including reporting to the person in charge of safety and proposing improvement measures, handling product quality and safety incidents, organizing quality and safety training, product recalls, and related rectifications. The product quality and safety directors are supported by the product quality and safety officers, whose responsibilities include: supervising and guiding employees to implement product quality and safety regulations, inspecting raw materials, production process control, product delivery inspection, implementing defective product control, supervising employees to rectify product quality and safety issues, and managing product quality and safety data storage, etc.

At the level of the vehicle plants, each vehicle clearly defines the roles and responsibilities of person in charge of the quality and safety (usually the general manager or deputy general manager of each vehicle plant), quality and safety director, and quality and safety officers.

If there are significant issues, risks and opportunities related to quality and safety, the CEO of each brand business group will report to the Sustainability Committee, which will consider and provide recommendations to the Board for decision-making.

The quality management system has incorporated relevant evaluation reward and punishment mechanisms. The weak areas of the current year are used as annual assessment items, and are adjusted year by year according to market conditions. Negative incentives are implemented on a monthly basis, and positive incentives and honorary recognition are implemented annually and every six months.

6.1.2 Product Quality and Safety Strategy

The Group deeply understands that the safety of automobile products is related to human life and public interests. Therefore, it has always adhered to the product design concept of prioritizing safety and health, and strictly controls material procurement, production, and quality. We are committed to ensuring that our products can protect the lives and health of drivers and passengers under any circumstances.

In 2023, the Group released the strategic direction of "All-round Safety" in the "ESG Strategy", with the aim of "Zero Casualty, Zero Health Hazard, Zero Property Loss, Zero Privacy Leakage", upgrading traditional safety to cover all road users, new energy and intelligent mobility safety.

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Mr. Li Shufu, Chairman of the Group, stated at the 2023 China Automotive Chongqing Forum that safety is a basic quality that electric vehicles must achieve. Safety is related to human life and public interests, and the safety technology of automobiles must be given top priority. Li Shufu believes that the appearance of a car is indeed important, but safety must be the premise for intelligent electric vehicles. Whether it is the safety of electrification technology or the safety of intelligent technology, safety cannot be compromised for the sake of electrification or intelligence. Li Shufu also called on all Chinese automotive companies to abide by the principle that all must be based on safety technology. When these requirements conflict with safety, safety needs must take precedence.

The Group follows the principles described in "2.4 ESG Risk and Opportunity Management" to identify, evaluate and manage risks and opportunities related to product quality and safety. This includes identifying and evaluating risks and opportunities based on different countries' regulations and standards for automotive products, industry technology and development, benchmarking with competitors, analysis of product quality and safety incidents, and more.

The Group has identified product quality and safety as sustainable development-related risks and opportunities with significant financial impact. Please refer to "2.3 ESG Strategy" for details. The Group identified the following risks and opportunities related to product quality and safety during the Reporting Period, along with the countermeasures:

- ⊕ Quality management risk of exported products. Importers have stricter requirements on the quality and safety of automotive products, which may increase compliance costs or impact product exports

Countermeasures:

- The Group has established a dedicated technical center to monitor and study current and upcoming automotive regulations in various countries or regions
- ZEEKR has proactively positioned itself in automotive network security, leading the way in complying with the UN R155 regulation of the United Nations Economic Commission for Europe. It has obtained the UN R155 Vehicle Cybersecurity Management System certification. The exported vehicles, including the ZEEKR 001 and ZEEKR X, have obtained Vehicle Type Approval certification, allowing them to comply with regulations and be sold in relevant export markets
- EU is one of the export market for Lynk & Co, higher factory audit requirements have been imposed by the EU. Lynk & Co follows Volvo Cars' quality management standards and actively invites institutions with EU quality management qualifications to enhance the current quality management system

- ⊕ The opportunity of digitalization for product quality and safety management. This can improve the effectiveness of quality and safety management, reduce the impact of related issues, or lower the associated management costs

Countermeasures:

- The Group carries out proactive preventive quality and safety services, covering most vehicle models, including the monitoring and early warning system for new energy battery cells
- The introduction of big data and algorithms for self-research to compensate for external annual evaluations that may not keep pace with business expansion and intensifying market competition. Self-research enables a rapid understanding of customer satisfaction, facilitating monthly feedback, prompt issue resolution, and continuous improvement through the PDCA (Plan, Do, Check, Act) cycle
- During the Reporting Period, the Group established an intelligent computing center with leading computing power and established a Quality Data Application Department to analyze data based on compliance requirements. These data-driven algorithms are applied through multiple channels: (1) Monitoring abnormalities and quality risks, actively identifying and resolving quality issues for users. (2) Quality warning: Early identification of problems such as poor online contacts and issuing warnings, enabling remote monitoring, diagnosis, and alerts. Currently, this technology covers 60%-70% of electronic and electric functional faults

6.1.3 Product Quality and Safety Management

6.1.3.1 Product Quality Management

In accordance with relevant standards such as GB/T19001-2016/ISO 9001:2015 Quality Control System, IATF 16949:2016 Automotive Quality Control System, and relevant laws and regulations on quality, the Group established a quality control system covering the entire management process of design and development, manufacturing, sales and services. In 2023, the companies located in China that develop and manufacture products under Geely, Lynk & Co and ZEEKR of the Group obtained ISO 9001 Quality Control System certification, and the powertrain company obtained the IATF16949:2016 Automotive Quality Control System certification.

The Group has also established relevant product quality and safety management measures for different processes:

- ⊕ Laboratory management system: Implemented a CNAS management system based on ISO 17025:2017 to facilitate development testing, experimental execution, vehicle and system bench validation, component testing, and simulation analysis;
- ⊕ Risk assessment and control of new car models: Established the Management Measures for Workstation Maturity Evaluation and Management Regulations of Initial Flow to prevent batch issues, manage the production of new and restyled car models, and conduct readiness evaluations;
- ⊕ Geely Customer Product Audit Standard (GCPA): A full life-cycle, all-round experience evaluation of products, aiming to quickly translate users’ demands and expectations into product development specifications and requirements;
- ⊕ “3842” quality improvement method: Based on Juran Trilogy, PDCA, Six Sigma, and 8D, and combined with the current situation and experience of the Group, It involves three stages of planning, improvement, and control, with eight steps including problem identification, current situation investigation, improvement implementation, and effect verification, along with 24 related checkpoints to ensure the continuous progress of quality improvement activities;
- ⊕ NEV quality management system: According to the Guiding Opinions on Further Strengthening the Construction of New Energy Vehicle Enterprise Safety Systems issued by five ministries in June 2023, the Group audited and evaluated 12 business units in 4 locations on the NEV product safety design, production, operation, service and related management activities;
- ⊕ Product reliability management system: the vehicle reliability engineering technology covers product R&D and design, test and verification, process manufacturing and after-sales quality management;
- ⊕ Error prevention management system: Implemented the error prevention concepts throughout the entire lifecycle of product R&D, process design, and mass production. Through the use of DFMEA (Design Failure Mode and Effects Analysis) and PFMEA (Process Failure Mode and Effects Analysis), problems with new vehicle models are avoided. Combined with product and process characteristics and a library of error prevention cases, a comprehensive error prevention management system is established, covering product error prevention, equipment and tooling error prevention, and MES system error prevention.

6.1.3.2 Product Safety Management

Integrated Security

During the Reporting Period, the Group continued to invest in integrated product safety and related technologies:

Drivers and Passengers Protection	⊕	Introduce innovative technologies to protect passenger cars from truck rear-end collisions, advocating optimal occupant protection, enhancing active and passive driving technologies, optimizing airbag design, and implementing the most optimal ignition logic;
	⊕	Develop reclining occupant protection technology to solve the problem of collision protection in zero gravity seats and large angle riding state;
	⊕	Develop new occupant protection technologies such as overhead airbags for the driver and passenger seats, fully wrapped airbags, head and chest integrated airbags and remote airbags to improve the level of occupant collision protection in intelligent driving scenarios;
	⊕	Intelligent analysis of drivers’ face and physical characteristics through Driver Monitor System (DMS) to avoid traffic accidents caused by fatigue driving;
Child Protection	⊕	Collaborate on developing child protection performance based on vehicle characteristics in the safety simulation stage;
	⊕	Use in-vehicle millimetre-wave radar to detect the remains of life, to prevent children or pets from being left in the vehicle and avoid possible life hazards;
Vulnerable Road Users (VRU) protection	⊕	Utilize sensors, cameras, and other devices to detect pedestrians in the surrounding environment and implementing measures such as pedestrian collision warning, automatic emergency braking systems, pedestrian recognition and tracking, and night vision enhancement to prevent accidents or mitigate consequences;
Experimental Test	⊕	Collaborate with internal and external resources to establish a combustion laboratory, conducting in-depth research on the firing mechanisms of NEVs, fire extinguishing measures, and traceability methods, and continuously improving the development of vehicle fire prevention capabilities;
Accident Rescue	⊕	Develop and apply post-crash low-voltage power preservation technology to avoid the problems of low-voltage power loss, non-unlocking doors and non-triggering E-call after an accident.

Geely Auto developed seat cushion airbags to ensure multi-dimensional safety for users

In practical usage, many passengers in the front passenger seat choose to adjust the seat to a reclined position, which poses a higher safety risk in the event of a collision. To address this situation, we have designed seat cushion airbags specifically for scenarios where the seat is adjusted to a large angle (with the backrest angle at 45°), and met the regulatory threshold of frontal and side impact protection for occupant. In the event of a frontal collision, the seat cushion airbag works in conjunction with the seat belt to restrain the occupant, reducing chest compression and lowering the risk of chest bone fractures and internal organ damage. Additionally, the lap belt holds the passenger's pelvis at an earlier stage, avoiding the belt from sliding into the abdomen and reducing lumbar spine injuries.

In 2023, the Geely Galaxy L7 model was the first to be equipped with overhead airbags, providing effective protection for the head, neck, and chest of passengers. It also effectively mitigates the potential harm caused by objects frequently placed on the center console by preventing them from being blown up by the airbag ignition.

Battery Safety

Battery safety is at the core of safety in NEVs, and the Group continues to invest in the development of battery safety technologies. As of the end of 2023, the ZEEKR brand has delivered over 190,000 vehicles accumulatively, with no fire incidents caused by the vehicle's own battery, motor and electronic control under the circumstances of no human factors and no external fire sources.

Aegis Battery Safety System: It pioneers four major safety standards - "Fundamental Safety, Vehicle Safety, Intelligent Safety, and Health Safety." It has successfully completed four battery safety tests, including a puncture test with an 8mm diameter, 45-degree angle steel needle, direct combustion for 105 seconds plus indirect combustion for 90 seconds, continuous immersion in seawater for 24 hours, and a 2-meter height drop, and advanced safety tests such as high-speed bottom collision, vehicle disassembly, and high-speed rear-end collision, surpassing national standards.

Gold Brick Battery: It is a fully self-developed and manufactured battery by ZEEKR and the world's first mass-produced ultra-fast charging Lithium Iron Phosphate battery. The Gold Brick Battery is covered with a layer of high-voltage insulation film on the surface of the battery cells, which isolates and insulates between the battery cells. It can withstand a high voltage insulation level of 4,000V, which is 27% higher in high voltage resistance compared to ordinary insulation films. The Gold Brick Battery features 8 thermal safety protection technologies, and its excellent safety performance has achieved 3 industry-first extreme safety tests: 1) Overpressure puncture test: After being subjected to 1.5 times the national standard extrusion force and deformed by 30% in a fully charged state, the battery remained non-ignitable and non-explosive even after a 5mm steel needle penetrates the maximum deformation point for 1 hour. 2) It exceeded the national standard of 130 seconds and finished the 240-second external fire test without ignition or explosion. 3) It passed 6 extreme condition serial tests: immersion in high-concentration saltwater, fire, freezing, towing, rolling, and high fall without ignition or explosion.

Lynk & Co 08 EM-P passed the test for a 60-meter-high cliff

In early 2024, an owner of the Lynk & Co 08 EM-P vehicle encountered an accident on an icy road in Tongren, Guizhou, China, where the vehicle fell from a 60-meter-high cliff. Despite facing such an extreme safety incident, the outstanding safety performance of the Lynk & Co 08 EM-P successfully protected the lives of the driver, two passengers, and a pet, with only minor abrasions after the accident.

The ability of the Lynk & Co 08 EM-P to protect passengers in such an extreme accident is attributed to its adoption of multiple advanced safety technologies and designs. Its cage-type body structure, with high-strength steel and aluminum alloy accounting for 75%, utilizes aerospace-grade 7-series aluminum alloy front crash beams that are 70% of the vehicle width, a 288mm full-aluminum long energy-absorbing box, and 2000 MPa heat-formed steel door beams with industry-leading material hardness. These components provide powerful protection, with no deformation in the vehicle structure after the accident, and the A, B, and C pillars remaining intact. The vehicle's rollover protection system promptly deploys 120-liter large airbags and 2-meter-long air curtains, maximizing passenger safety.

The electrification and intelligent features also contribute to its safety effectiveness. The Lynk & Co 08 EM-P can cut off power to high-voltage components within 50 milliseconds after a collision, a response speed far superior to the national standard of 5 seconds. Meanwhile, the low-voltage electrical system in the vehicle continues to operate, ensuring that the SOS call can be connected immediately and contact can be made with the driver for rescue. As a NEV, the Lynk & Co 08 EM-P's "four vertical and four horizontal" integrated frame beams and cloverleaf force transmission structure protect the battery's safety in multiple angles of rollover collisions, preventing post-collision battery fires.

Geely Galaxy E8 received
China’s first six-dimensional
electrical safety system
certification, Certificate No. 001

In December 2023, Geely’s Galaxy E8 was awarded the Certificate No. 001 for the domestic NEV’s six-dimensional electrical safety technology system certification by the China Automotive Technology & Research Center.

This certification encompasses 16 certifications in 6 major vehicle safety dimensions: charging, electromagnetic, functionality, high voltage, battery, and fire safety, totaling over a thousand tests that cover the majority of usage scenarios. The Galaxy E8 successfully passed all test items with performance that far exceeded the testing standards.

Intelligent driving

Intelligent driving is a key direction for automotive safety development, which effectively enhances travel safety and accident prevention capabilities. The Group is committed to continuous investment and innovation in intelligent driving, which not only ensures the safety of passengers, but also reduces safety hazards on other road users, helping to achieve sustainable development goals such as well-being, sustainable cities and communities.

The Group is committed to technological equity and provides several high-end and cost-effective intelligent driving solutions respectively in different price ranges across our various brands to improve the safety of passengers while traveling.

ZEEKR: ZEEKR 001, ZEEKR 009 and other models adopt Mobileye’s SuperVision intelligent driving solution, and their functions can be improved through OTA upgrades. During the Reporting Period, ZEEKR released the ZEEKR 007 with the first self-developed “Haohan Intelligent Driving System” equipped with NVIDIA DRIVE Orin chip and LiDAR. Its “NZP High-speed Autonomous Navigation Assistance” covers China’s highways, elevated and closed roads. In the future, it will be further upgraded through OTA to achieve “NZP Urban Commuting Mode” and “NZP Urban Autonomous Navigation Assistance”. Additionally, ZEEKR 007 also features industry-leading intelligent parking, including “Fingertip Parking” remote control parking. The ZEEKR brand will use NVIDIA Drive Thor chips in future models to provide more powerful computing capabilities.

Lynk & Co: During the Reporting Period, Lynk & Co launched the Lynk & Co 08 EM-P, which is equipped with Lynk & Co’s intelligent driving assistance system. It is equipped with up to 28 high-performance perception hardware and two A1000 autonomous driving chips, and its functions are continuously optimized through OTA upgrades, and can achieve up to 30 advanced driver-assistance system (“ADAS”) intelligent driving assistance functions, such as advanced Navigate on Autopilot (NOA) system, Door Opening Warning (DOW) system, Evasive Maneuver Assist (EMA) system, and one-button Remote Parking Assist (RPA) system.

Geely brand: During the Reporting Period, the Galaxy L6, Galaxy L7 and Galaxy E8 released by the Geely brand were equipped with L2 driving automation, providing Autonomous Emergency Brake (AEB), Lane Keeping Assist (LKA), Intelligent Cruise Control (ICC) system and other functions. In addition to NEVs, we have introduced intelligent driving functions in ICE vehicles. For example, Xingyue L Smart Engine is equipped with advanced NOA system, providing intelligent lane change assistance , DOW system, pre-tensioning seat belt, intelligent evasion for large vehicles and other functions.

Geely is the first China’s company that builds both cars and satellites. In February 2024, the second satellite constellation into low orbit was successful. Geely Future Mobility Constellation has 20 satellites in orbit. This enables satellite communication for automotive autonomous driving, intelligent networking, direct satellite communication for mobile and IoT devices, and precise positioning for emergency rescue even in signal-free situations. Currently, ZEEKR 001 FR, ZEEKR 007 and Geely Galaxy E8 have become the first batch of models equipped with Geely’s self-developed satellite communication technology.

Health and Safety Experience

We are committed to creating the safest and most environmentally friendly cars, improving the quality of air inside the car, ensuring the safe use of raw materials, taking into consideration the physical and mental health of consumers, and continuously improving our network security and data compliance management capabilities.

⊕ In-car Air Quality Safety

We build a green and environmentally friendly cabin and use cutting-edge technology to create a high-standard cabin safety system to provide the first line of defense for mobility.

Lynk & Co adheres to the “Three Zero” safety standards

Lynk & Co adheres to the use of zero harmful solvents, zero miscellaneous cotton, and zero asphalt, obtaining the China Environmental United Certification Center (CEC) Chinese Ecological Products Five-Star Certification, reducing harmful odors from the source. The air purification system integrates remote purification, proactive cabin cleaning, scheduled cabin cleaning, and air conditioning self-drying functions to keep the air inside the vehicle fresh. The antibacterial steering wheel uses inorganic antibacterial agents with an antibacterial rate of up to 99%.

⊕ Raw Material Safety

The selection of automotive components determines the VOC concentration and odor of the entire vehicle. We focus on controlling materials at the source to meet regulatory requirements and implement information management through the China Automotive Material Data System (CAMDS) and End-of-Life Vehicles (ELV) compliance system, establishing a comprehensive hazardous substance management and control system. The Galaxy L7 has obtained the industry's first automotive electromagnetic protection certification for passengers wearing implanted medical devices. This certification aims to protect individuals from invisible electromagnetic radiation, especially those who rely on special medical devices such as implanted pacemakers, defibrillators, and cochlear implants, ensuring their safety during vehicle use.

Lynk & Co 09 won the first batch of “China Health Car” certification

The interior of the Lynk & Co 09 EM-P Long Range version is made entirely of environmentally friendly materials, including PHC (comparable to food-grade) and environmentally friendly ABS that is safe for baby. Furthermore, the vehicle strictly avoids the use of low-quality recycled materials such as recycled miscellaneous cotton fabric and instead incorporates water-based damping materials that are mostly used in a limited number of luxury car brands.

The cabin features extensive use of NAPPA leather, which physically isolates the risks associated with PVC plasticizers coming into contact with the human body, providing a pure, natural, comfortable, and healthy experience.

Cybersecurity

The Group has formulated relevant cybersecurity management processes at various stages of the automotive lifecycle. In October 2022, it obtained the UN Regulation No. R155 CSMS (Cyber Security Management System) certification issued by the German Ministry of Transport. In January 2023, it obtained the No. R156 SUMS (Software Update Management System) certification. These certifications cover the four major manufacturing plants in Yuyao, Chengdu, Hangzhou Bay, and Xi'an, ensuring that cybersecurity is maximally protected in the Group's products.

Privacy Protection

The Group attaches great importance to user privacy protection, strictly abides by global laws and regulations related to privacy protection, and respects and protects the privacy rights of all parties to the maximum extent. Please refer to “5.4.2 Privacy Protection” for details.

Biometric Privacy Protection

The Group does not have access to the biometric privacy data on the car APP. The mechanism of face recognition is to obtain a person’s characteristic points and form a feature database. The relevant data are retained in the car, and the user has control over the permission of this function. In the autonomous driving mode, it blurs the images of people and license plates. Currently, the Group is at the leading level in related technology.

In addition, ZEEKR has gradually established its own security capabilities in information security (prevention of leakage) and cybersecurity (prevention of attacks), and has obtained the following external recognitions:

March 2023	⊕ Elected as the Deputy Director Unit of the CCIA Automotive Cybersecurity Working Committee
May 2023	⊕ Awarded the title of Outstanding Supporting Unit of the Information Security Attack and Defense Competition of the 7th World Intelligence Conference
June 2023	⊕ Released R&D results Autosvita “Autosvith an open source multi-protocol low cost vehicle bus testing framework” and was successfully selected as a topic for the top international security conference Black Hat USA 2023
December 2023	⊕ Awarded the certificate of “Excellent Case of Vehicle Information Security and Vehicle-Cloud Integrated Defense Platform” by the China Academy of Information and Communications Technology (CAICT) in December 2023
December 2023	⊕ Recognized as an excellent defensive unit by the Zhejiang Traffic Management Bureau for Internet of Vehicles

Product Recalls and Prevention

We established the Product Safety Committee and formulated the Regulation on Geely Auto Product Recall Management in strict accordance with the Regulation on the Administration of Recall of Defective Auto Products of the PRC. In combination with overseas laws and regulations, Geely Auto has formulated the Measures for Administration of Recall of Detective Auto Products in Overseas for overseas markets, and recalled products that meet the recall conditions.

During the Reporting Period, there was a total of 1 recall event. For the Emgrand GL model manufactured during the period from 1 July 2016 to 31 December 2018, after long time operation, the doors may not be opened after several times due to the defect size of door lock parts and the poor returning of lock body coupling rod, which may increase safety escape risks for passengers in emergency and exist safety hazards. We noticed that and initiated to recall those vehicles based on product risk.

Number of recalls:

	2023	2022	2021
Geely brand	1 (22K vehicles)	3 (140K vehicles)	0
Lynk & Co brand	0	0	0
ZEEKR	0	0	0

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Defect validation process

- 1) receive defect information from production and market
- 2) organize relevant units to conduct defect analysis and further validation
- 3) report to the National Recall Center and implement the active recall process once confirmed the defect

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Active recall process

- 1) develop and validate the defect elimination plan, then procure relevant parts
- 2) trace the affected vehicles and the corresponding customers' files, and issue a notice to stop selling defective products
- 3) set and verify the recall plan, issue recall notice approved by recall office, and implement recall
- 4) real-time monitor the recall's effectiveness, and issue periodic reports every three months and a summary report on the completion rate

To strengthen the recall prevention management system, during the Reporting Period, the R&D Department, Procurement Department, Manufacturing Department, and Service Department of the Group jointly carried out a 100-day safety-focused initiative. This initiative aimed to improve the warning capability of the new energy platform, manage the special characteristics of components, enhance safety and disaster prevention measures in the manufacturing process, and ensure quick handling of after-sales service. As part of this initiative, we identified 109 safety-related components, conducted on-site audits of special characteristics for 171 suppliers, and established a rapid response organization and authorization mechanism for quick handling of issues. These efforts were focused on targeted improvements to enhance overall product safety.

Product Quality Culture

Employee Quality Training

The Group attaches great importance to creating an internal product quality culture, with the goal of achieving 100% coverage in quality system-related training. In 2023, we organized over 30 professional skills training sessions for quality management personnel. We also conducted training for frontline workers through skills competitions and "Quality Trustworthy Team" programs, reaching over 30,000 individuals, accounting for approximately 60% of our workforce. We emphasize a culture of quality awareness and individual responsibility, ensuring that every task has a designated person responsible and that each individual understands their role, thus implementing an internal system for quality accountability.

Supplier Quality Training

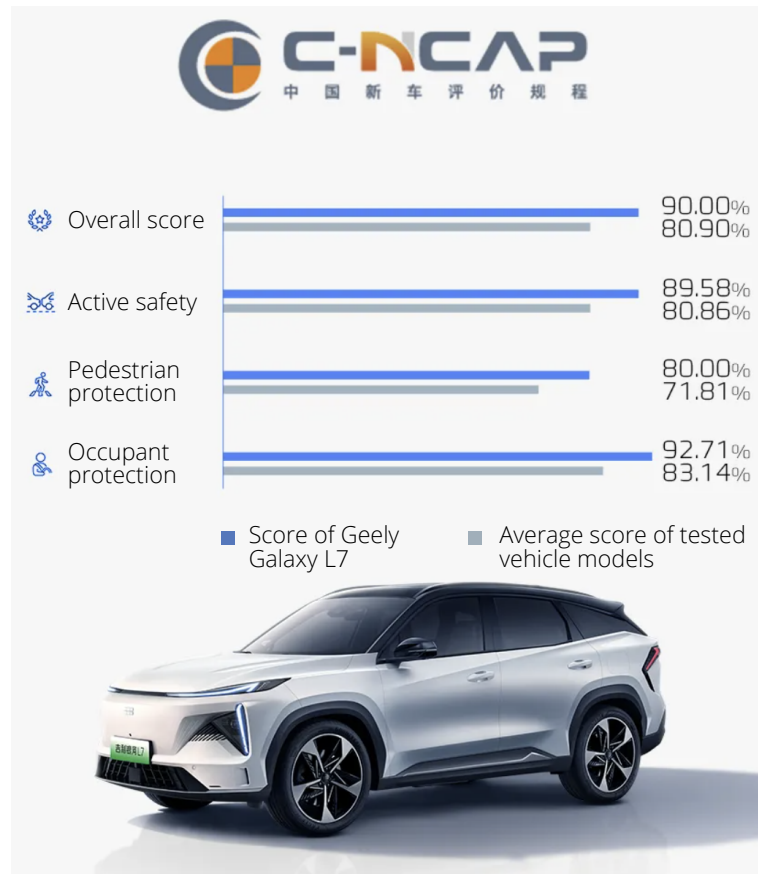
While improving its internal quality culture, the Group also focuses on empowering its suppliers in quality management. The automotive industry has stringent quality management standards, and approximately 80%-85% of our quality issues are related to suppliers. Therefore, supplier quality management is of paramount importance for us. In 2023, the Group organized 8 large-scale centralized training sessions from a business perspective. Additionally, whenever the supplier quality management engineers visit suppliers, they conduct at least one Geely quality requirement training for the supplier's management or business personnel. In 2023, Lynk & Co conducted quality management enhancement activities with 52 suppliers, identifying over 2,000 process defects.

During the Reporting Period, the Group conducted safety and health assessments on vehicle models through third-party assessments such as China New Car Assessment Program (C-NCAP), China Green Car Assessment Program (C-GCAP), and the European New Car Safety Assessment Association (Euro NCAP), and received multiple awards and certificates during the Reporting Period:

- Geely Galaxy L7 achieved a 90% overall score, becoming the first hybrid SUV model to receive a five-star certification from C-NCAP. It surpassed the average scores of tested models in terms of active safety, pedestrian protection, and occupant protection.

The chart displays the C-NCAP (China New Car Evaluation Program) scores for the Geely Galaxy L7 compared to the average scores of other tested models. The Galaxy L7 scores are consistently higher than the averages in all four categories.

Category	Score of Geely Galaxy L7	Average score of tested vehicle models
Overall score	90.00%	80.90%
Active safety	89.58%	80.86%
Pedestrian protection	80.00%	71.81%
Occupant protection	92.71%	83.14%



In terms of automotive product quality, the Group also achieved the following results during the Reporting Period:

- ⊕ Selected into the 2023 National Quality Benchmark of the China Association for Quality based on the experience of GTQS
- ⊕ J.D. Power 2023 China Automotive Performance, Execution and Layout (APEAL):
 - No. 1 Chinese domestic brand: Geely brand
 - No. 1 Compact Car: Geely Emgrand
 - No. 1 Midsize Sedan: Geely Preface
- ⊕ J.D. Power 2023 China New Energy Vehicle–Automotive Performance, Execution and Layout (NEV-APEAL):
 - No. 1 in the small BEV segment: Geometry E
- ⊕ J.D. Power 2023 China Initial Quality Study on problem per 100 vehicles (PP100) (IQS):
 - No. 2 Chinese domestic brand: Geely brand
 - No. 1 Midsize Economy SUV: Geely Boyue/Boyue X
- ⊕ J.D. Power 2023 China Vehicle Dependability Study (VDS):
 - No. 2 in Chinese domestic brand: Lynk & Co brand
 - No. 1 Compact SUV: Geely Binyue
- ⊕ J.D. Power 2023 China Tech Experience Index (TXI):
 - No. 1 in mass market ICE models: Lynk & Co brand

6.2 Sustainable Service

The Group adheres to the core principle of “customer-centric” and integrates sustainable development and services throughout the entire customer service lifecycle. To this end, we have put forward a customer service concept of accessible services.

6.2.1 Responsible Marketing

As a global enterprise, the Group is committed to sustainable, transparent and responsible marketing of its products and services. In order to ensure that our marketing activities are conducted in compliance with applicable laws and regulations, and in an ethical and responsible manner, we have established the Principles for Responsible Marketing.

Based on the Advertising Law of the People’s Republic of China, the Domestic Sales Department regulated the accuracy and standardization of the content of external communications of our brands, formulated the Regulations on the Management of Communications, effectively checked the content of non-compliant communications, and strictly controlled the content of various types of communications. We regularly organized relevant training to enhance the professionalism of our staff in reviewing; we issued quarterly alerts on materials that involve communication risks and focused on tracking; we took timely relief measures for publications that cause negative impacts, which including case sharing, strengthening the process of reviewing advertising materials, and targeted training for advertising reviewers by legal staff, so as to ensure the efficient operation of our risk control mechanism for advertising auditing.

In order to ensure that consumers have clear and accurate information before making purchase decisions, we provided the following convenient and diverse access to information:

Online: Official website, WeChat official account, official Weibo account, official video account, overseas social media platforms such as Facebook, Instagram and other online platforms such as overseas websites

Offline: Paper materials such as product leaflets/foldouts/catalogs provided by officially authorized sales outlets, sales consultant presentations, product promotion meetings, and test driving

In order to clearly communicate product information, Geely’s international sales has produced product catalogs, folders and other product promotion materials, posted technical tips on the official website or social media, and organized caring classes to communicate with users.

During the Reporting Period, we expanded the concept of responsible marketing in 7 major aspects, going beyond compliance with relevant laws and regulations:

- ⊕ Adhere to the marketing philosophy of “respecting the market, being grateful to customers, respecting competitors, and strengthening ourselves” to avoid providing false information about competitors to customers.
- ⊕ Comply with relevant marketing, advertising and sales laws and regulations, and ensure that all employees and partners respect and abide by the laws, regulations and industry standards where they operate.
- ⊕ Ensure transparent pricing for sales and services, refrain from price gouging and bundled sales, commit to not engaging in any false or misleading advertising, and strictly prohibit overcommitment.
- ⊕ Provide customers with meticulous and high-quality services, focusing on service as a means to build the brand, create a “friendly, professional, rigorous, and efficient” Geely service experience, control service quality processes, standardize the operations of marketing personnel, and monitor responsible marketing practices of employees and partners, providing customers with reliable, reassuring, and satisfying high-quality services.
- ⊕ Respect and protect customer data and privacy security, comply with the laws and regulations of the location where we operate, and ensure the protection of customer information throughout its lifecycle.
- ⊕ Promote diversity and inclusivity, ensuring that Geely Auto’s marketing activities participated by employees and partners do not contain offensive or discriminatory content.
- ⊕ Promote the sustainable development of the entire marketing chain, make every effort to increase consumers’ awareness of sustainable consumption, and guide consumers to give priority to products that are beneficial to society and the environment. Meanwhile, we work with partners to promote social responsibility and enhance Geely Auto’s impact on sustainable development.

In 2023, we released a responsibility program and carried out relevant training and empowerment for 2,164 dealers across the country, and 100% of dealers participated in customer service quality management seminars.

The International Sales Department conducts in-depth research on the relevant laws and regulations in the places where it operates, and provides training to internal communication personnel on the concept of marketing claims, ensuring that all extreme claims used have sufficient evidence. It also ensured that all promotional materials, online advertisements, etc. are reviewed by the Legal Department before being released. There were no compliance-related negative incidents in 2023.

6.2.2 Service Accessibility

Domestic Stores and Online Services

In order to allow more customers to experience the Group’s core value concept of “Happy Life, Geely Drive”, we focus on channel management and ensure that all types of customers have easy access to different service offerings. We have developed the “Geely Auto Standard Service Process” (2022 Edition) to guide service stations to comprehensively implement various standards for service departure, appointment, store reception, diagnosis and billing, maintenance and quality inspection, vehicle delivery, settlement and tracking services. During the Reporting Period, we have formed digital experience functions such as Social Customer Relationship Management (SCRM), online booking, transparent workshop, online service evaluation, etc.

By the end of 2023, the Group’s sales system in China has been further optimized and expanded. The Geely brand covers various regions in China through multiple dealers. Geely Galaxy has 517 new stores opened to provide exclusive sales channels for this series. ZEEKR serves its customers in China through 24 ZEEKR Centers, 240 ZEEKR Space, 31 ZEEKR Delivery Centers and 45 ZEEKR Homes. Lynk & Co serves its customers through 350 Lynk & Co Centers and 67 Lynk & Co Spaces in China.

The Group’s network layout and new energy development are carried out simultaneously, breaking the traditional layout of fuel vehicles and improving convenience. In addition to traditional sales channels, we actively deploy new media channels and pay attention to changes in user habits. We have flagship stores on platforms such as TikTok, Kuaishou, Xiaohongshu, Bilibili, Taobao, and Tmall, which play a role in rapid dissemination and make it easy for customers to access product information.

Dealer Empowerment

The transformation towards NEVs leans more towards a sense of technology, and customers have higher expectations for the reception and service experience. We ensure a satisfying car purchasing experience for customers by upgrading the service quality provided by dealers.

Compared to traditional fuel vehicle owners, NEV owners have higher demands for information exchange and are more likely to raise challenging questions. Therefore, it is necessary to provide diversified and rich training content. ZEEKR conducts at least one training session for frontline staff and suppliers through online meetings and training systems on a daily basis to maximize knowledge iteration.

Internal Empowerment

To ensure customer satisfaction, we conduct evaluations, periodic inspections, and telephone satisfaction surveys for regional service managers in 14 major categories with a total of 387 items. At the same time, we carry out Geely Key Position Certification (GKPC) for 7 key positions, including station managers, technical directors, service consultants, customer relationship officers, spare parts specialists, claims specialists, and chief inspectors.

In 2023, among the nearly 1,000 authorized service stations across the country, the GKPC certification rate exceeded 80%. As of the end of the Reporting Period, a total of 210 training sessions were conducted for GKPC, covering 4,840 individuals, effectively improving the service quality and level of the dealerships.

To expedite the certification and training of service station personnel, we have made adjustments to the certification format and course structure for each position/level. We have adopted a combination of online learning and offline training for personnel certification. Approximately 25% of the course content for each position/level has been adjusted to online modular learning, reducing the offline certification time by 1-2 days. The training model includes pre-training learning tests, daily assessments during training, follow-up evaluation of training effectiveness, and targeted remedial training. This approach not only reduces the cost of cultivating service station talents but also ensures the training effectiveness for each position/level, improves the overall skill level of trainees, and provides higher quality service to customers.

International Services

As of the end of 2023, the Geely brand has established 533 sales and service outlets in 70 countries and districts around the world. Lynk & Co has opened 11 offline experience stores in 6 European countries. 2 ZEEKR Centers have been introduced in Europe. We provide users with models covering from economy, entry-level sedans, mid-end business vehicles, high-end SUVs, differentiated and customized after-sales products, service activities and owner interaction in line with the local market needs. We always implement the “professional, efficient and friendly” core service concept (Care for your care), to create high-value services for users. Also, we effectively solve the pain points of users by speeding up the efficiency of spare parts supply, service maintenance efficiency and difficult problem solving efficiency.

Spare parts supply efficiency: Through the construction of “1+8+N” spare parts database structure, i.e. 1 central database, 8 regional databases and N market local databases, to ensure the supply of global spare parts business, regional database and local database of all markets.

Service maintenance efficiency: At present, the quick insurance strategy has been gradually promoted overseas to further shorten the maintenance time. In addition, when the user’s vehicle encounters difficult problems, we can jointly solve them with market expert group through the online diagnosis system, online technical support system, and the overall maintenance efficiency increased by 30%.

User Ecology

The Group adheres to the attitude of "Cruising Together with Warmth" to deliver warmth and happiness to more people in society. We are building a new public welfare ecosystem that promotes user co-creation and connects the entire society. We have established the "G Family" user brand and put forward the concept of "user co-creation," allowing users to participate in activities at design centers, intelligent factories, and other areas, integrating "user co-creation" into specific business operations.

Geely Auto Service Skills Competition Serving Customers with "Heart"

In 2023, Geely Auto organized and launched the 13th Service Skills Competition. The competition attracted a total of 11,000 participants, and the cumulative traffic of communication content during the period reached 8.2 million . Through the skills competition platform, we can achieve "training through competitions and skills through competitions", strengthen communication and learning among front-line personnel in the station, and improve business skills. At the same time, we continue to strengthen service and technical levels, improve the overall quality of service personnel, and improve user satisfaction.



As of the end of the Reporting Period, the number of registration users of the Geely brand APP reached **9.50 million**, Lynk & Co APP had over **3.69 million** fans, with a retention rate of 60%.

"Hi G Family" 2023 Geely Auto User Conference

During the Reporting Period, Geely Auto invited users to co-create and co-direct the "Hi G Family" User Conference, a grand event driven by user co-creation, user leadership, and user empowerment. The co-created theme song "G Family +". This successful event established the Geely brand's annual user activity IP, making the "Hi G Family" Geely Brand User Conference an annual gathering for the brand and its users.

Since the establishment of the "G Family +" Public Welfare Club in 2022, Geely has designated 6th August every year as the "G Family +86 Public Welfare Day." Up to now, the club has attracted 15,000 car owners as members and has organized over 60 public welfare activities cumulatively.

User Community Activities

Geely has been engaging in user community activities centered around the brand concept of "We are together with Geely". These activities include Geely family banquets, factory tours, interest community, and surprising fans. We have effectively reached out to 552 car clubs, with 288K users. During the Reporting Period, we organized a total of 1,062 car club activities, with Geely Galaxy Car Club experiencing a yearly growth rate of 100%. Lynk & Co also held 2,559 offline events.

"With Us, It's Geely" 2023 Geely Family Banquet

Since 2016, the Geely Family Banquet has been held annually before the Chinese New Year, serving as an important platform for regular communication between the Geely brand and its customers. It signifies the continuous upgrading of Geely Auto's customer service.

In 2023, the "With Us, It's Geely" Geely Family Banquet was held to express our heartfelt gratitude and blessings. The banquet invited 160 Geely car owners and media partners to participate.

Geely Geometry has conducted various user engagement activities centered around car usage scenarios, including the Influencer Campaign, Summer Sharing Program, and Panda Mini Fan Test-drive Party. By the end of the Reporting Period, Geely Geometry had organized over 2,000 events, deeply engaging with more than 25,359 users, with an exposure of over 70 million and effectively increasing the number of engaged users.

Lynk & Co held the 6th Co-Fans Conference in 2023, with a duration of nearly 2 hours and over 6 million participants both online and offline. The establishment of the Co Club by Lynk & Co has seen the membership surpassing 460,000, with a dealer occupancy rate of 99%. A total of 13,000 offline events have been organized.

Geely Galaxy is committed to building an industry-leading marketing service system, providing users with high-quality services and experiences through its self-operated Galaxy Centers, Galaxy Spaces, Galaxy Delivery Centers, and Galaxy Homes.

ZEEKR Care also continues to provide users with various caring services:

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High-quality Service Resources

- ⊕ Vehicle Maintenance: Over 290,000 times
- ⊕ Roadside Assistance: 16,716 times
- ⊕ Door-to-Door Vehicle Pickup and Delivery Service: 64,400 times
- ⊕ Worry-Free Shuttle Service at Service Centers: 52,701 times
- ⊕ Emergency On-Site Services such as Jumpstarting and Troubleshooting: 3,144 times

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Big Data and Digital Solutions

- ⊕ Intelligent Diagnostics: 44,961 times
- ⊕ OTA Updates and Support: 37 times
- ⊕ ZEEKR Helper: Available 24/7 online

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Co-Creation of Services

- ⊕ Over 40,000 users enjoyed service care activities covering four major travel scenarios: summer, Asian Games, National Day, and winter.
- ⊕ More than 70 co-creation events on service themes held, with face-to-face communication involving 1,500 users.



Geely brand ranked **No.3 among Chinese domestic brands** in the J.D. Power 2023 China Sales Satisfaction Index (SSI);

ZEEKR ranked **No.1 among Chinese brands** in the J.D. Power 2023 China New Energy Vehicle Customer Experience Value Index (NEV-CXVI).

6.2.3 After-sales Service

The Group always adheres to the service philosophy of “caring for the details”, and is committed to providing consumers with meticulous and ultra-high-quality services with a “professional, rigorous, efficient and friendly” work style.

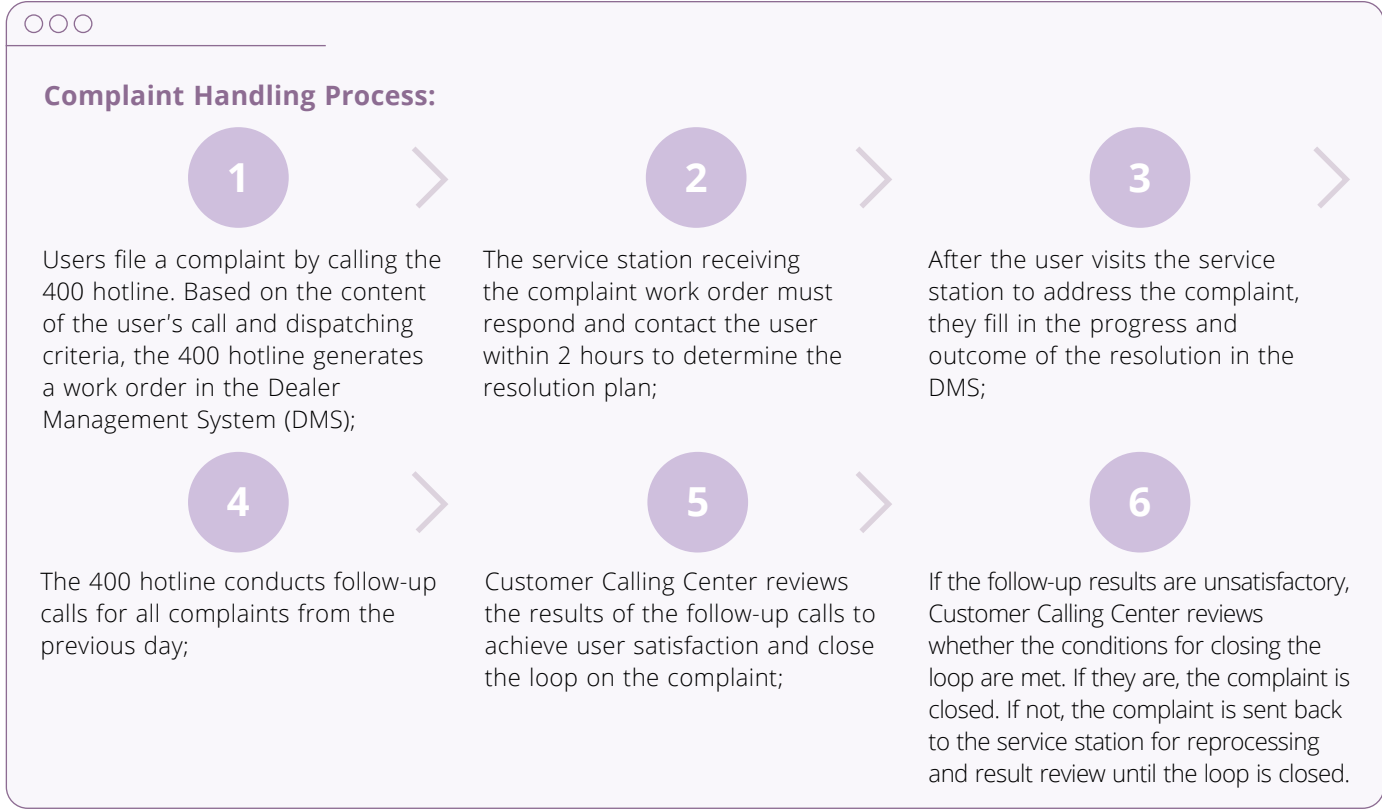
Customer Complaints

Following the principle of “from point to area, self-analysis, understanding the essence, and focusing on prevention”, we actively provide feedback and conduct retrospective analysis on customer complaints. We have developed a Complaint Prevention Manual that addresses common complaint issues in the market and provides preventive measures for learning and implementation. Through multidimensional analysis of complaint data and feedback on quality information through special sessions and quality meetings, we strive to improve and enhance the quality of our products at the base level, fundamentally reducing post-production quality complaints. During the Reporting Period, the complaint rate per thousand vehicles was 1.93‰, lower than the department's initial target of 3.5‰ set at the beginning of the year. The response rate to complaints within 2 hours was 98.9%, and the closure rate within 3 days was 98.87%, both exceeding the initial target of 98%.

Total number of complaints and handling rate in 2023

	Geely brand	Lynk & Co
Total number of complaints	2023: 10,178 2022: 17,792	2023: 1,771 2022: 3,229
Processing rate	2023: 95.3% 2022: 97.9%	2023: 100% 2022: 99.5%

ZEEKR expands its user complaint alert system both online and offline, proactively identifying user complaints and promptly resolving them. In cases where complaints cannot be resolved in a timely manner, ZEEKR ensures quick coordination among various functional departments to address the concerns and provide reassurance to the users. ZEEKR also continues to drive the retrospective analysis of cases, optimizing the service system by evaluating and improving the service chain for handling disputed incidents. These improvements are then replicated nationwide to enhance the overall service experience.



Customer Satisfaction

We regularly conduct consumer satisfaction research activities through telephone survey and SMS survey. The telephone satisfaction survey takes seven indicators including “overall satisfaction, proactive reservation, service team attitude, service process execution, maintenance quality, service value and service recommendation” as the starting points, to comprehensively understand the level of consumer satisfaction. At the same time, we conduct monthly statistics on the phone and SMS satisfaction data of service managers and service stations in various provinces and cities, issue satisfaction analysis reports, and issue rectification tasks to service managers or service stations whose satisfaction fails to meet the standards or falls significantly short of the target value. We continue to track the rectification results, effectively ensuring the steady improvement of consumer satisfaction.

In 2023, the Customer Service Index of Geely Auto Domestic Sales Department: 93 points, the incidence of customer complaints: ≤ 0.6%.

After-sales service satisfaction of Geely Brand in 2023

Consumer satisfaction (score)		
2023 Target	2023 Results	2022 Results
93.5	95.6	Telephone Satisfaction: 93.6 SMS satisfaction: 97.8

Note: In 2023, the statistical method of consumer satisfaction (score) was adjusted to combine telephone satisfaction and SMS satisfaction for calculation.



The Geely brand ranked **No.1 among Chinese domestic brands** in the J.D. Power 2023 China Customer Service Index (CSI) Study.

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Developing Customer Service Implementation Strategies:

- 1 Establish proactive marketing strategies (benefits, products, events, etc.) to target and engage lost customers effectively
2. Develop evaluation and retention management systems for key customers and incorporate them into the VIP customer management system
3. Build a digital platform for customer satisfaction, empowering satisfaction management and enhancing efficiency in evaluation, data transmission, issue response, and problem resolution
4. Establish mechanisms for improving customer satisfaction, implementing targeted improvements for key underperforming stores and areas, and driving continuous improvement in service satisfaction
5. Increase the frequency of remote support and diagnostics to assist dealerships in reducing diagnostic time and further improve the one-time repair rate

ZEEKR builds a digital marketing system to bridge the last step of consumer service

The development goal of “Lingxi Phase 1” is to establish the capability for users to place orders and standardize the order process, eliminating ineffective communication with users. Through integration with the mobile APP, it enhances data transparency for users. The development goal of “Lingxi Phase 2” is to establish a parts supply chain, provide technical consultations, and resolve claims issues, aiming to connect suppliers and after-sales service to achieve end-to-end consumer feedback. Currently, “Lingxi Phase 2” covers all parts suppliers, factories, and ZEEKR Homes. The future goal is to extend coverage to all Lynk & Co models.

By enhancing digital coverage and integrating online and offline channels, ZEEKR aims to optimize the entire product system across marketing, sales, delivery, and after-sales, reducing marketing and operating costs. It also focuses on improving the after-sales service system, enhancing the ecosystem of supplementary capabilities, and building an intelligent digital ecosystem. Through the integration of digitization and AI, ZEEKR aims to further enhance operational efficiency and expand its automotive coverage, ultimately creating a comprehensive digital life system.

Overseas Customer Satisfaction

As to overseas aftersales service, Geely Auto cooperated with all the cooperative dealers around the world. Customer service satisfaction surveys was conducted from 13 dimensions, such as service efficiency, service appointment, service reception, service professionalism, pre-service explanation, post service explanation, service facilities, spare parts availability, service cost, vehicle cleaning, service delivery, service quality and accompanied final inspection after service completion by means of telephone follow-up, email surveys, etc.

In 2023, the Lynk & Co "Lynk-yue After-Sales Service Evaluation Project" was launched, focusing on dealerships with high user evaluations, high user loyalty, and excellent service quality. A group of outstanding dealerships were selected and awarded the "Lynk-yue After-Sales Service Top Dealer" honor.

After-sales satisfaction: User satisfaction surveys are conducted through a combination of online and offline methods.

- 1) Online satisfaction survey: A survey questionnaire is sent through the APP on the day after vehicle delivery, and users are required to complete it within one day. Once completed, the online satisfaction survey is closed.
- 2) Offline satisfaction survey: 7 days after receiving after-sales service, call center conducts a satisfaction survey. The target value is an average score nationwide of over 93.

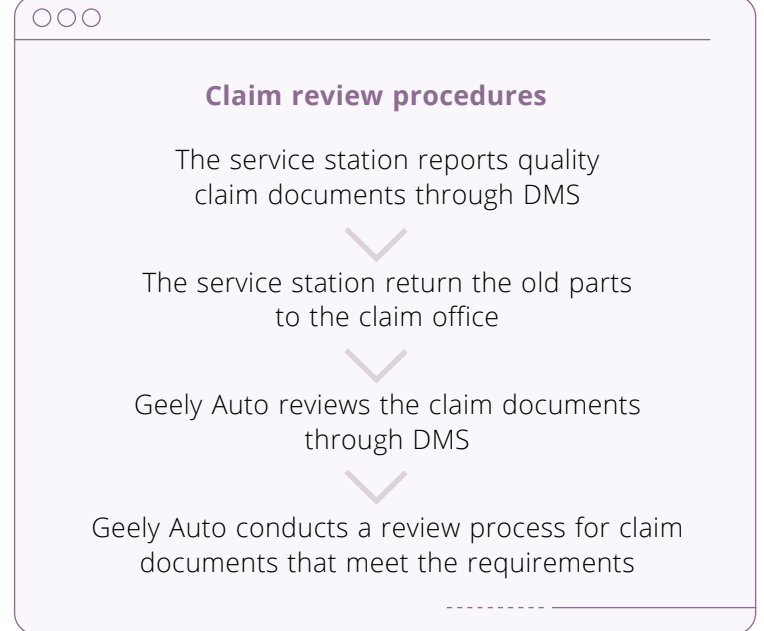
For dealerships with low scores, they are required to provide the "Improvement and Enhancement Report" promptly for dealership improvement. These dealerships will continue to be monitored in the following month.

Regular meetings are held to address weaknesses or incubate new dealerships, providing focused coaching for regions with weaker satisfaction scores. This helps dealerships understand the scoring rules, strengthen service processes, and enhance operational management.

Regular visits are conducted to emphasize the importance of service processes, service attitudes, and the standardization of work orders, aiming to enhance service awareness.

Product Warranty

At the initial stage of approval of products, we formulated the quality warranty policies for new models through market benchmarking, combined with model definitions and the Regulations on the Liability for the Repair, Replacement and Return of Household Automotive Products. Each vehicle model strictly adheres to the product warranty policy outlined in the Three Guarantees Certificate and Warranty Maintenance Manual for Household Automotive. We have established a complete quality claim process and conducted monthly "Junior Claimant Job Certification" training to ensure that claimants are familiar with new car warranty policies and requirements, improve their business capabilities and bring better quality service to consumers.



6.3 Sustainable Mobility

Shared Mobility

In addition to selling the Lynk & Co 01 PHEV in Europe, Lynk & Co also provides users with a more flexible, economical, and environmentally friendly travel experience through a subscription model. Users can also rent out their vehicles through Lynk & Co's sharing application, which not only saves costs for vehicle users but also increases the utilization of vehicles, thereby reducing the need for car ownership. In addition to purchasing and monthly subscriptions, Lynk & Co offers people more convenient and flexible options for car usage. As at the end of 2023, the accumulated subscription exceeded 38,000 units.

Affordable Mobility

The Group provides consumers with a range of vehicle options at different price points, catering to the mass market below RMB100,000, the mainstream market between RMB100,000 and RMB200,000, the mid-to-high-end market between RMB200,000 and RMB300,000, and the luxury market above RMB300,000. Under the development of automotive intelligence, we also strive for technological equality. Through technological innovation and cost control, we provide diverse intelligent solutions across our product range at different price points, allowing users to experience enhanced intelligence and safety features. Meanwhile, we have implemented a series of sales initiatives for new energy vehicles, including free cellular data for cars, trade-in subsidies for used cars, and lifetime warranty services for core components of key products.

Automotive finance is also a key factor in implementing inclusive finance policies. Through Genius Auto Finance, we continuously innovate products, optimize policies, and adopt digital finance. We have provided financial services to over 3 million automotive consumers and established good partnerships with more than 2,700 dealerships. We have successfully helped nearly 7,000 ride-hailing and taxi drivers start their businesses by purchasing NEVs. We provide professional, flexible, and convenient personalized services for different customer groups, conduct regular follow-ups to understand customer satisfaction and their latest financing needs, and continuously improve existing services. Through high-quality financial services and thoughtful care, we fulfill our corporate social responsibility.

Intelligent Cabin Accessibility Features

In addition to intelligent driving, the intelligent cabin, as another core of intelligence, also brings more possibilities for automobile accessibility. For example, the voice interaction feature of intelligent cars allows passengers with mobility impairments to easily experience the functions of the vehicle.

In March 2023, Siengine Technology, jointly established by Geely, independently developed China's first 7-nanometer car-grade intelligent cabin chip called "Dragon Eagle-1" and began mass production. It made its debut in the Lynk & Co 08. Additionally, the Geely Galaxy L7 won the gold award in the CIVC China Intelligent Connected Vehicle Challenge for its intelligent cabin. The Geely Galaxy L7 is equipped with the Galaxy N OS, a brand-new generation of Geely's exclusive self-developed intelligent cabin system. It represents Geely's advanced and innovative intelligent cabin system, perfectly replicating the logic of mobile phone interactions. Users can easily adapt without any learning costs. The system achieves multi-screen integration between the car's infotainment system, mobile phones, and home devices. It can connect various scenarios such as transportation, entertainment, socializing, and services, bringing an "everything connected " car experience.

To meet the travel needs of people with disabilities, Geely Auto has supported the operation of nearly a hundred accessible taxis in Dalian and actively participated in the Asian Games' accessible taxi service.



During the National People's Congress and the Chinese People's Political Consultative Conference in 2024, Mr. Li Shufu, the chairman of the Group, proposed the establishment and implementation of national standards and planning for accessible vehicles across the country, as well as the construction of pilot projects for accessible vehicles.

Mr. Li Shufu believed that currently, accessible vehicles face challenges such as the lack of industry standards, inconsistent implementation and promotion of standards, high entry barriers, difficult cost coverage, and insufficient social support. He suggested incorporating the establishment and implementation of standards and planning for accessible vehicles nationwide into the overall planning of accessible environment construction and aging-friendly renovation projects. By coordinating the long-term development and promotion of accessible vehicle projects nationwide, it will contribute to the improvement of accessible transportation environment.

With the gradual improvement of accessible infrastructure and the increasing prevalence of the concept of accessibility, people's expectations for accessible services are shifting from "availability" to "quality." Mr. Li Shufu proposed encouraging the development of special service fleets based on the standards and planning for accessible vehicles. This includes integrating non-emergency transfers, equipping vehicles with mobile AED emergency response capabilities, and establishing green channels for accessible vehicles at airports, train stations, hospitals, and other public places. These initiatives aim to provide heartwarming accessible services.

Mr. Li Shufu said, "The goal is to enhance the travel experience of the accessible community and promote the construction of pilot projects for accessible vehicles". He emphasized the importance of leveraging the exemplary and leading role of these projects and striving to implement the first batch of national standard accessible taxi projects in major cities.

7

Sustainable Value Chain

Material
Issues⊕ Responsible
Supply Chain

Supply Chain

- ⊕ **94%** Tier-1 suppliers signed Geely Supplier Code of Conduct
- ⊕ **85%** Tier-1 suppliers passed Drive Sustainability Self-Assessment Questionnaire
- ⊕ **100%** Newly accredited Tier-1 suppliers completed ESG on-site review (since effective from August)
- ⊕ **120** Tier-1 suppliers completed third-party ESG due diligence

Dealers

- ⊕ Formulated the Principles for Responsible Marketing
- ⊕ **100%** dealers participated in compliance training and customer service training
- ⊕ **100%** domestic dealers participated in sustainable marketing training

Industrial Collaboration

- ⊕ The only Asian automobile group with voting right in IATF
- ⊕ Promoted the establishment of the International Automotive Quality Standardization Association (IAQSA)
- ⊕ **445** standards led or participated

ESG Strategy:
Co-Prosperity
Climate Neutrality
Nature Positive



7.1 Sustainable Supply Chain

Sustainability is a core element of the Group's supply chain management and an important component of the "Co-prosperity", one of the six main directions of the ESG strategy. We integrate ESG concepts into the supply chain management system and enhance its governance structure. We strive to mitigate supply chain ESG risks and work with suppliers to achieve sustainable development together.

On 1 December 2022, our parent company, Geely Holding Group, joined "Drive Sustainability", an automotive industry partnership on sustainable supply chain, making it the first Chinese company to join as a global partner. With the coordination and support from Geely Holding Group, the Group can connect to cutting-edge global practices and proven tools via "Driving Sustainability", unite with major brands in the automotive industry, deliver consistent standards, management and evaluation methodologies among suppliers, stakeholders and relevant departments.

Organizational Structure

The Group has established an ESG governance structure to address sustainability-related risks and opportunities (including: responsible supply chain). Please refer to "2.2 ESG Governance" in this Report for more details. We established the "Sustainability Supply Chain Compliance Team" under the "New Product Development Compliance Work Team", which comprises of the Purchasing Department, Supply Chain Quality Engineering (SQE) Center, etc)). Such committee is responsible for the overall management of the supply chain and supervision of the daily work of subordinate departments. The management of the Group supervises and makes decisions on significant matters of supply chain management. The Board is responsible for supervising the work of the management including listening to the management's report on significant matters of supply chain management and making relevant decisions on the strategy of the Group.

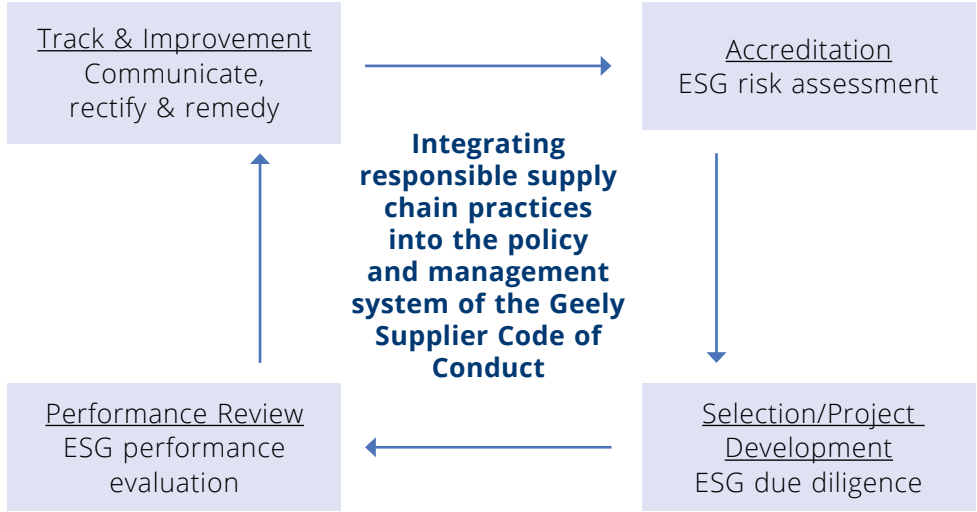
Regarding the full lifecycle ESG management mechanism of suppliers (including the accreditation phase, selection/project development phase, and annual review), the daily work is carried out by the Supply Chain ESG team in collaboration with the ESG Department, Compliance Department, etc., to analyze the current state of the supply chain and benchmark against policy trends, laws and regulations, and industry developments related to sustainable supply chain practices. Meanwhile, they develop supply chain ESG goals and improvement plans, and report regularly to the Supply Chain System Management Committee and Sustainability Committee respectively.

Full Lifecycle ESG Management of Suppliers

The Group enhances the lifecycle ESG management of suppliers with reference to the OECD Guidance. During the Reporting Period, the key optimization efforts included.

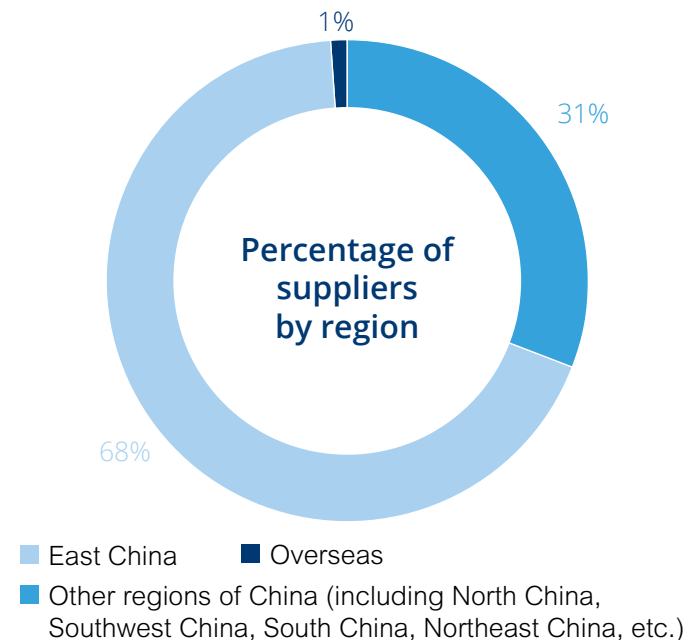
- ⊕ Revised Geely Supplier Code of Conduct which was officially published in April 2024, to strengthen policy management and supplier requirements;
- ⊕ Introduced external audit tools to improve the sustainable evaluation system for suppliers and strengthen ESG risk identification in the supply chain;
- ⊕ Established a human rights working group comprising the Group's ESG Department, Compliance Department, Human Resources Department, Supply Chain Department and Labor Union to discuss the Group's benchmarking analysis and room for improvement in human rights management in the supply chain, and to jointly promote the identification of salient human rights issues of suppliers and assess the impact of salient human rights issues on the value chain;
- ⊕ For suppliers facing export control risks, initial conflict minerals audits and third-party due diligence have been conducted with reference to the OECD Minerals Guidance;
- ⊕ Continuous capacity building for suppliers to enhance their carbon management capabilities.

Based on the discussions of the Human Rights Working Group during the Reporting Period, the Group will plan to further enhance its approach and specific measures for full lifecycle ESG management of suppliers in 2024 to be more in line with the relevant requirements of the OECD Guidance, OECD Minerals Guidance, and in line with the commitments of the Group and its supply chain in the Geely Supplier Code of Conduct.



Supplier Distribution

As of the end of the Reporting Period, the Group had a total of 1,020 tier-1 suppliers, with an addition of 36 new tier-1 suppliers. We actively promote localized procurement, continue to collaborate with local governments, introduce local suppliers and encourage other suppliers to establish local production facilities. We prioritize supporting key component suppliers, such as those for heavy and bulky goods, to produce locally, to reduce the risk of delivery delays, minimize carbon emissions from logistics and transportation, and contribute to local economic development. The Group's vehicle plants are mainly located in East China, therefore suppliers are also mainly located in this region as shown in the chart below.



The Group continuously tracks risks affecting delivery such as national policies, climate and environment. To ensure timely supply, the proportion of procurement in East China, where most of the Group's vehicle plants are located, continued to increase from 64% in 2022 to 68% in 2023, which mitigated the delivery risk and carbon emissions from logistics and transportation due to long distance, achieved rapid response to quality issues, and continued to drive the local suppliers' development and local employment. Our diverse supply chain could still maintain resilient and supported business development through early planning and risk management.

7.1.1 Supply Chain ESG Risk Assessment

We leverage our internal audit processes and utilize external tools to integrate supply chain ESG risk identification and assessment into each supplier's accreditation, selection, annual review, as well as the communication, rectification and remediation processes, to achieve comprehensive ESG assessment throughout the entire lifecycle of suppliers.

1. Accreditation Phase: ESG Risk Assessment

"Sustainability assessment" has become one of the thresholds for supplier accreditation

During the Reporting Period, the Group has updated and formulated the Supplier 5A Audit and Evaluation System ("5A Audit"), and officially included ESG indicators in the on-site audit during the supplier accreditation phase. Potential suppliers' capabilities are assessed in five aspects: sustainability, R&D, quality control, production, and business management. We plan to conduct on-site audits for 100% of newly accredited suppliers.

The sustainability assessment, is based on the Geely Supplier Code of Conduct and with reference to relevant guidances such as Drive Sustainability, and covers: compliance and integrity, trade compliance, information and data security, occupational health and safety, labor rights, environmental and carbon emissions, and responsible procurement (key raw materials management). Based on the supplier's sustainability assessment results in the accreditation phase we will rate suppliers from grade A to E. Suppliers in key categories (such as battery manufacturers) must reach B grade (i.e. $80 \leq \text{score} < 90$) before they can be accredited. Other suppliers need to reach C grade (i.e. $70 \leq \text{score} < 80$). For the deduction items of suppliers, we will state the reasons for the deduction. For accredited suppliers with risk, i.e. non-significant risks identified, we require them to complete rectification within a limited period of time. The list of all non-conformances must be signed and confirmed by the supplier after the on-site audit. Suppliers are denied for accreditation where significant risks have been identified.

Legal, compliance and business ethics related due diligence

We require 100% of newly accredited suppliers to complete the Supply Chain Compliance Declaration Sheet and have it verified by the Compliance Department using professional tools and public information, and passed the trade compliance blacklist screening system. External tools such as Dow Jones and LexisNexis are used to verify whether suppliers are at risks of national/regional political, economic, trade, legal and other factors.

Year 2023: The 5A Audit has been officially implemented in August, 100% of newly accredited suppliers was applied after implementation of audit (accounting for 77% of the newly accredited suppliers in 2023). 5A Audits are also required for suppliers which added or changed their sites or supplying new or expanded products. Based on the audit results, we provide ESG-related rectification recommendations to suppliers which are either denied for accreditation or accredited with risk to help suppliers improve and meet our sustainability requirements. In 2023, a total of 2 suppliers were denied to access, and 5 suppliers involved in rectification. Meanwhile, we are gradually expanding the scope of audit from newly accredited suppliers to existing suppliers. During the Reporting Period, we have completed 5A Audits on 103 existing tier-1 suppliers.

Future Plan: A rolling review of sustainability assessment will be carried out for all suppliers, and cover 100% of tier-1 suppliers within two years. In addition, we will introduce external data platforms to strengthen risk identification in environmental and occupational health and safety, obtain and dynamically monitor information in real time such as suppliers' violation of laws and regulations, being penalized and on environmental supervision, etc., as well as related negative public sentiment.

2. Selecton/Project Development Phase: ESG Due Diligence

After supplier accreditation and before selection/project development, suppliers are externally evaluated by the Drive Sustainability Self-Assessment Questionnaire (SAQ) based on the project requirements. For export projects of specific vehicle models, third-party due diligence and conflict mineral assessments are introduced. Suppliers must meet the ESG-related legal and regulatory requirements of the target market to participate in the project:

- ⊕ Drive Sustainability SAQ: Suppliers are assessed based on questionnaire responses and uploaded materials, evaluating their performance in areas such as human rights and working conditions, health and safety, business ethics, environment, responsible supply chain management, and responsible sourcing of raw materials. The evaluation is validated and scored by the external compliance analyst team (NQC), helping us to identify supply chain risks;
- ⊕ External third-party due diligence: For export projects of specific vehicle models, independent third-party auditing firms with internationally recognized supplier auditing qualifications are hired to conduct on-site investigations of relevant suppliers (covering Geely Supplier Code of Conduct, and the salient human rights issues identified);
- ⊕ Conflict minerals (including: tin, tantalum, tungsten and gold, commonly referred to as "3TG") audits: For export projects of specific vehicle models, the Conflict Minerals Reporting Template (CMRT) developed by the Responsible Minerals Initiative (RMI) is used to collect information of suppliers' raw materials to assess and identify suppliers' key raw material risks;
- ⊕ Based on project requirements, the R&D Department sets requirements for project suppliers on carbon footprint, proportion of recycled materials (such as steel, aluminum, plastic), and traceability of key raw materials through technical documents.

Year 2023: Drive Sustainability SAQ was carried out against all suppliers, and 85% of tier-1 suppliers completed with qualified score (≥70 points), and suppliers can continuously optimize their performance based on SAQ scores and improvement recommendations. By the end of 2023, external third-party due diligence has been carried out on 120 tier-1 suppliers (No major risks found), and 50 suppliers have completed the CMRT.

Future Plan: External third-party due diligence will be gradually expanded in terms of proportion of suppliers and the scope of selection (non-export high risk suppliers). In terms of key raw materials, leveraging the established traceability digital tool platform, we will engage conflict minerals audit firms familiar with the automotive industry to help identify the conformant list for smelters or refiners, strengthening the traceability and due diligence of conflict minerals.

3. Performance Review Phase: ESG Performance Evaluation

By establishing a sustainable management system and linking it to the performance review system, the suppliers' ESG performance evaluation has been incorporated as a part of the overall performance review, accounting for 10%. The results of this evaluation directly impact whether a supplier can be rated as A grade, thus affecting their quota allocation. Additionally, the relevant evaluation results are automatically sent to the management of suppliers through email. If more than three non-conformances are identified or overall performance is below standard, a meeting will be scheduled with the management of suppliers to set a deadline for rectification and provide support. If the rectifications are ineffective, the suppliers will be included in the optimization pool and subject to restricted management or elimination. Furthermore, suppliers with excellent performance evaluations will receive corresponding rewards.

The performance evaluation model is also integrated with the traceability management platform, effectively promoting key raw materials' traceability and related evaluation.

Year 2023: 28 sustainability performance indicators and data interaction models have been launched, and 5,684 ESG data entries have been received.

The rectification of suppliers identified in 2023 are mainly focused on: 1. Sustainability management organization and system; 2. convey sustainability requirements to secondary suppliers; 3. product carbon management or carbon emission reduction plan (green electricity target, etc.); 4. waste emission reduction.

Future Plan: The sustainability evaluation system will be further optimized. Suppliers will be classified as high, medium or low risks based on the above-mentioned internal and external audit processes, due diligence results, etc., according to their performance in labor rights, environment, carbon footprint, occupational health, conflict minerals, and key raw materials. We will develop corresponding improvement/rectification action plans for suppliers with different risk levels and adjust supplier risk levels during the annual review process.

4. Tracking & Improvement Phase: Communication, Rectification & Remediation

The Group understands that sustainable development represents a new dimension of management for some suppliers at this stage. While ensuring that the ESG risks of the Group's supply chain can be effectively managed, we aim not only to maintain the ESG maturity of our supply chain through elimination but also to enhance the ESG management capabilities of our suppliers through assistance. This will lead to a healthy and sustainable growth for both of automotive supply chain and the Group, while reducing the economic and social impacts on suppliers' employees as a result of the elimination of suppliers for the purpose of improving the Group's ESG rating, fulfilling the Group's responsibility to give due consideration to all stakeholders in addressing ESG issues, and realizing the goal of "Co-prosperity" for suppliers and their employees under the ESG strategy.

Communication: The Group adopts various forms of communication with suppliers on ESG management, including formulating Geely Supplier Code of Conduct and providing suppliers on its requirements, as well as ongoing revisions to incorporate suppliers' comments to more clearly express the guidelines therein. Besides, the Group has also launched other ESG-related training programs, as described in "7.1.3 Supplier ESG Capability Enhancement". The Group also established a supplier grievance channel for suppliers' employees to lodge complaints or reports to the Group in relation to the Geely Supplier Code of Conduct or other ESG-related matters.

Rectification: For risks or non-conformances identified as described in the previous three phases, the Group provides recommendations to assist the supplier to rectify the situation.

Remediation: The Group will actively communicate with the supplier when there is a significant problem with the supplier to understand the circumstances of the problem and the adverse impact it may cause or has caused, in order to further discuss the relevant rectification and remedial measures. During the Reporting Period, the Group further standardized its own and suppliers' remedial obligations under the Code of Conduct and the Geely Supplier Code of Conduct.



To better integrate ESG assessment and management throughout the supplier lifecycle, we are building an "AESGC" evaluation model. This model comprehensively manages suppliers on five aspects: Ability, Environmental, Social, Governance, and Carbon, allowing for more precise and in-depth coverage of mainstream ESG management content while taking into account the specific characteristics of the automotive industry.

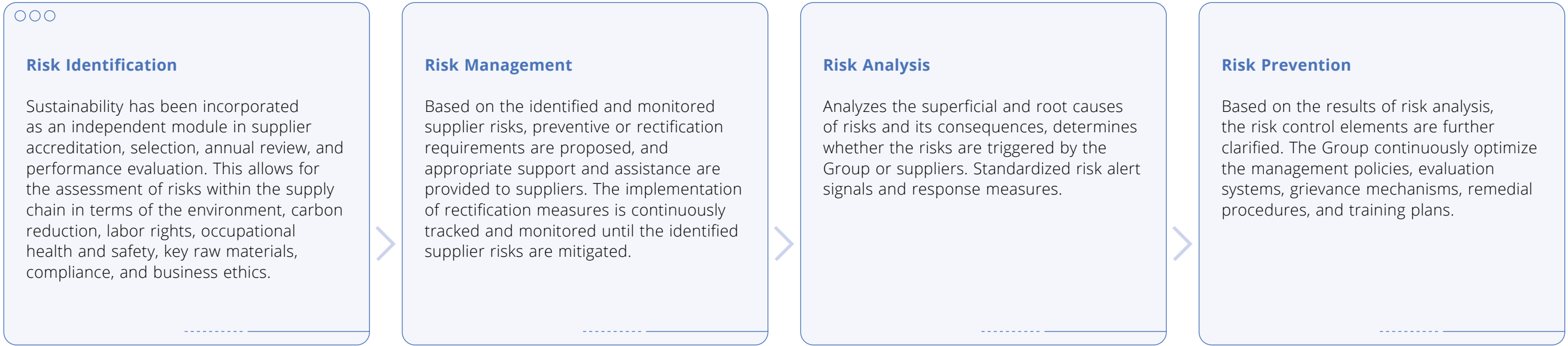
7.1.2 Supply Chain ESG Risk Management

Supply chain risk management is crucial to ensure the stability and sustainability of the supply chain. It helps anticipate and mitigate risks that may lead to disruptions or interruptions in the supply chain, ensuring a continuous supply of products or services and avoiding production downtime, delivery delays, or customer dissatisfaction, which can result in additional costs.

The Group identifies the risk of supply stoppage and production stoppage caused by poor internal management of suppliers, changes in external markets, fluctuation of production plan, iterative upgrading of products, dual sourcing quota adjustment, engineering change, etc. as the controllable risk of supply chain. The Group identifies the risk of actual and potential supply stoppage caused by natural disasters, trade environment and policy changes as the force majeure risk of supply chain, and specifically identifies and manages the supply and delivery risks. Based on the degree of delivery risk and the feasibility of the corresponding strategy, we monitor suppliers in real time and make quick decisions through the risk warning mechanism to avoid out-of-control risks that affect our operations.

Based on "7.1.1 Supply Chain ESG Risk Assessment", we include export and trade compliance, key raw materials, and labor rights in the management of significant supply chain ESG risks.

Supply Chain ESG Risk Assessment and Management Process



Export and Trade Compliance Risks Management

With the establishment of the EU's regulatory framework for sustainability, responsible business practices in the automotive industry supply chain are gaining consensus and implementation. Through collaboration with a global network of suppliers, we can promote sustainable development on a larger scale and yield positive impacts. However, the highly complex and diverse network of supply chain presents challenges in improving the performance and transparency of sustainable supply chain management, particularly in identifying and assessing the potential impacts of suppliers beyond tier-1.

In response to export control-related policies and legal risks, especially the EU Directive on Corporate Due Diligence and Corporate Accountability (CSDDD), the EU New Battery Regulation, the Carbon Border Adjustment Mechanism (CBAM), as well as other countries' ESG or human rights bills, we actively collaborate with third-party organizations and initiatives. We actively sort out the specific requirements outlined in proposed regulations and incorporate them into the risk identification and response in our existing supply chain management, preparing for future legal compliance. Currently, for export projects of specific vehicle models, we have introduced third-party due diligence and conflict mineral assessments. Suppliers must meet the ESG-related legal and regulatory requirements of the target market before participating in the project. Additionally, we have collaborated with Geely Digital Technology to develop a carbon accounting tool, calculating the product carbon footprint from cradle to gate and building 3,341 carbon footprint models for components, involving 76 suppliers. For more information on the potential impacts of automotive exports and the assessment of export control risks for suppliers, please refer to "5.3.2 Export and Trade Compliance".

Key Raw Material Risks Management

The Group attaches great importance to the environmental and human rights risks posed by high-risk key raw materials, including conflict minerals, and continuously strengthens procurement compliance management level. We focus on the 14 identified high-risk key raw materials including tungsten, tin, tantalum, gold, cobalt, lithium, nickel, manganese, copper, graphite, mica, natural rubber, wool and leather.

During the Reporting Period, in line with the annual product and export project plans, we required participating suppliers to sign Compliance Statement and Geely Supplier Code of Conduct, committing to comply with relevant regulations and cooperate with due diligence work. They were required to complete specialized questionnaires to assess if their supply chains involve high-risk raw materials and identify their upstream suppliers, forming a traceability map to identify risks and evaluate their impact. In addition, we have conducted a blockchain traceability pilot project for cobalt, lithium, nickel, manganese, copper, and graphite, establishing a preliminary traceability management system for our supply chain. With reference to relevant regulations and industry consensus in the EU and the US, we defined the scope of traceability and key components and collaborate with relevant component suppliers to conduct traceability work. In January 2024, we launched the Raw Material Traceability Management Process to achieve standardized and regular management.

We will continue to promote the use of Conflict Minerals Reporting Template (CMRT) developed by the Responsible Minerals Initiative (RMI) for suppliers. Besides, we also plan to introduce specialized external third-party due diligence on key raw materials. As of the end of the Reporting Period, a total of 50 suppliers have completed the CMRT.

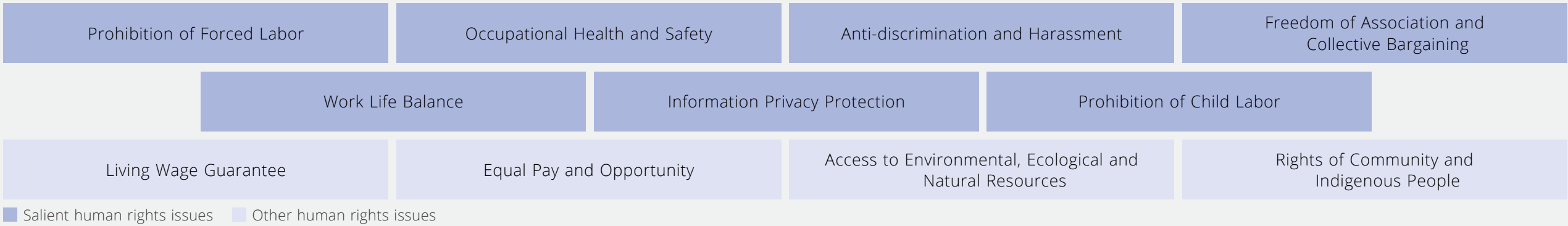


Supply Chain Human Rights Risks Management

The Group is committed to adhering to internationally recognized human rights and labor standards and eliminating child labor and forced labor in all its operations. We have also incorporated more detailed requirements for working conditions and human rights into the Geely Supplier Code of Conduct (Revised in April 2024), requiring suppliers to conduct their business in accordance with applicable laws, regulations, and the principles of the Geely Supplier Code of Conduct throughout their business relationship with the Group. We also continue to monitor allegations of human rights violations by suppliers and, if such cases arise, communicate with the relevant suppliers and conduct due diligence to determine the next steps to be taken.

During the Reporting Period, the Group preliminarily established a human rights management methodology and initially formulated the list of 11 potential salient human rights issues. For details of the methodology and how they were identified, please refer to “5.3.3 Human and Labor Rights”. We launched salient human rights issues identification survey for all suppliers, and received the replies to questionnaires from a total of 103 suppliers (mainly participated by ESG person-in-charge/contact person of suppliers') to participate in the survey. The survey covered 11 potential salient human rights issues preliminarily identified. The Group identified salient human rights issues and other human rights issues based on the impact of the survey on the human rights issues encountered, the impact of potential salient human rights issues (meaning the impact on the respondents themselves or on the employee groups they represent rather than on the Group's or suppliers' business, and the impact based on the severity and likelihood, with higher weight given to the former).

Based on the analysis of the above research results, and combined with external data analysis, we identify salient human rights issues and other human rights issues after assessment:



Note: The above identified human rights issues do not represent the human rights issues arisen in the supply chain of the Group.

Regarding the identified salient human rights issues and other human rights issues, the Group's Human Rights Working Group has discussed them and reported the identification results to the Sustainability Committee. In response to these human rights issues, the Group has incorporated additional requirements into the revised Geely Supplier Code of Conduct. Furthermore, in 2024, the Group will strengthen the audit efforts, training and guidance related to salient human rights issues during the various phases of supplier audits, effectively fulfilling the responsibility of due diligence investigations. The Group will also continue to enhance the methodology for assessing human rights risks in the supply chain, including direct communication with more supplier employees who are susceptible to human rights impacts and extending the assessment to major tier-2 suppliers, in order to gain deeper insights into the salient human rights issues.

In addition, we conducted surveys to understand suppliers' awareness of grievance channels, and their evaluation and suggestions on the use of existing grievance channels (including but not limited to the convenience, effectiveness and language suitability of channel usage, etc.). In order to eliminate the negative impact of human rights risks in the supply chain of the Group, standardize the handling of complaints and assess suppliers' human rights remedial measures, we will further evaluate our effectiveness in protecting suppliers' labor rights and interests, communicating management requirements, and providing grievance channels, so as to continuously optimize the identification and management of human rights risks in the supply chain.

Supplier ESG Management Requirements

Based on the identification and assessment of the external environment and our own sustainability requirements, we have reviewed and revised the Geely Supplier Code of Conduct published in April 2024, incorporating relevant requirements from the Supplier Confirmation Letter on Implementation of Sustainable Development. As of the end of the Reporting Period, we have successfully encouraged nearly 94% of our tier-1 suppliers to sign the Geely Supplier Code of Conduct. Both newly accredited suppliers and existing suppliers who renewed contract have been required to sign the Geely Supplier Code of Conduct to ensure their understanding and adherence to the Group's sustainable development principles. For suppliers who have not completed the signing of the Geely Supplier Code of Conduct, we will consider it as a risk factor in the evaluation of supplier sustainability and assess whether on-site audits are necessary based on the overall situation to ensure that all suppliers meet the Group's sustainable development requirements. Additionally, the Group requires accredited suppliers to sign relevant documents such as Geely Supplier Code of Conduct, Procurement Contract, Confidentiality Agreement, Quality Agreement, etc., to regulate the management of our suppliers in terms of product quality, compliance, working conditions and labor rights, occupational health and safety, and environmental protection.

Supplier ESG Management Rules¹

Social	Work Conditions and Human Rights	<ul style="list-style-type: none"> ⊕ Respect the International Labor Organization's Forced Labor Convention and the Abolition of Forced Labor Convention, and eliminate any forms of forced labor, slavery and human trafficking; ⊕ Respect and support children's rights, including the United Nations Convention on the Rights of the Child and the Children's Rights and Business Principles, and shall eliminate the employment of child labor and firmly oppose any use of child labor; ⊕ Respect employees' rights to freedom of association (such as trade unions) and collective bargaining in accordance with the laws and regulations of the place of operation, and protect employees from discrimination, harassment, coercion or retaliation for exercising their rights to form, join, or refuse to join trade unions and engage in collective bargaining; ⊕ Provide fair wages and benefits, paid leave and health protection in accordance with applicable laws and regulations, local market conditions and living standards. Wages shall be paid in full and on time, showing legitimate deductions in the payslips; ⊕ Comply with applicable laws regarding working hours, including, but not limited to, overtime and overtime compensation; ⊕ Strictly prohibits workplace violence and workplace harassment, including physical, psychological, sexual and other aspects of workplace violence and harassment; ⊕ Shall not discriminate in any way against employees in employment, promotion, or compensation on the basis of gender, race, color, religion, age, ancestry, educational background, marital status, maternity status, disability, sexual orientation, national origin, political opinion, union membership, social background, or any other status protected by applicable law.
	Health and Safety	<ul style="list-style-type: none"> ⊕ Comply with all applicable health and safety laws and regulations, and obtain ISO 45001 Occupational Health and Safety Management System certification; ⊕ Adopt risk prevention and health promotion measures, provide all employees with all necessary safeguards that meet occupational health and safety standards, prevent accidents and formulate contingency plans, and provide guidance to employees to reduce health and safety risks and impacts.
	Product Quality and Safety	<ul style="list-style-type: none"> ⊕ Pass the IATF 16949 Automotive Industry Quality Management System Certification; ⊕ Improve quality assurance system, manage quality targets and launch continuous quality improvement activities.
Environment	Carbon Emissions and Climate Change	<ul style="list-style-type: none"> ⊕ Suppliers are required to set carbon emission targets (including the proportion of renewable energy) and promote carbon reduction in their own operations and supply chain; ⊕ Provide necessary environmental data to the Group.
	Resource Use and Recycling	<ul style="list-style-type: none"> ⊕ Formulate plans and annual targets for improving energy efficiency and reducing water consumption; ⊕ Protect and conserve natural resources (including but not limited to forests, water and land) and energy utilization, and promote green procurement (including the selection of environmentally friendly and low-carbon, recycled materials and renewable energy, etc.), so as to effectively adapt to and mitigate climate change, avoid damage to the ecological environment and biodiversity, and reduce the impact of products, services and related business activities on the environment.
	Pollution and Waste Management	<ul style="list-style-type: none"> ⊕ Comply with all applicable environmental related laws and regulations; ⊕ Obtain and timely renew all required environmental permits and related certifications (e.g., ISO 14001 Environmental Management System Certification), and comply with the requirements stipulated in these documents; ⊕ Conduct annual testing and obtain qualified reports for the three wastes (noise/waste gases/wastewater) and dispose of hazardous waste in accordance with national laws and regulations; ⊕ Set up plans and annual targets to reduce waste in production facilities.
Governance	Business Ethics	<ul style="list-style-type: none"> ⊕ Comply with laws and regulation in anti-corruption, anti-bribery, anti-money laundering, anti-trust, anti-competition, export and trade, and privacy protection; ⊕ Do not engage in or tolerate any corruption, bribery or money laundering; ⊕ Should avoid situations which give rise to potential conflict of interest with Geely.
	Conflict Minerals	<ul style="list-style-type: none"> ⊕ Commence responsible mineral sourcing in accordance with the OECD Minerals Guidance and, at least conduct due diligence on 3TG and require their own suppliers to comply with relevant regulations to ensure that the minerals or metals contained in the products supplied to Geely are free from human rights abuses, violations of business ethics and environmental hazards in the process of extracting, processing and trading, and that the proceeds from their sales shall not be used to fund armed conflicts; ⊕ If any key materials in any products, components or raw materials supplied to Geely are determined as originating from conflict-affected and high-risk areas as defined in the OECD Minerals Guidance, shall immediately notify Geely.

¹ Extracted from Geely Supplier Code of Conduct, Geely Supplier Sustainability Implementation Confirmation Letter, Supplier Site 5A Audit Evaluation Form

Supply Chain Management Beyond Tier-1

The Group is committed to improving the overall standard of sustainable development of the supply chain by enhancing the management of tier-1 suppliers and gradually influencing tier-2 and below suppliers. The Group conducts daily management, annual and other irregular reviews of suppliers in accordance with the Supplier Optimization Management Regulations and Supplier Business Performance Evaluation Management Regulations and other management systems. Besides, we conduct timely assessments and updates of various standards and policies, and continue to optimize them based on implementation, to ensure that the management regulations and evaluation standards are in line with the Group's development, industry-leading practices, and changes in domestic and international policies. Furthermore, the Group formulated the Sub-supplier Quality Control Regulations, which requires tier-1 suppliers to submit a list of tier-2 and tier-3 sub-suppliers at the project development phase in order to identify and review key and risky sub-suppliers in a timely manner.

The identification of key tier-1 suppliers for the Geely brand and Lynk & Co has been expanded beyond from purchase amount based evaluation to holistic assessments covering the proportion of procurement expenditure, component categories, climate risk impact, etc. This approach aims to comprehensively and accurately identify suppliers that have relatively significant environmental or social impact from their production and operational activities. During the Reporting Period, a total of 78% of tier-1 suppliers were reviewed, including 91% of key tier-1 suppliers. Additionally, 57 tier-2 suppliers were reviewed. We conducted rolling review on 100% of tier-1 suppliers every 2 year.

ZEEKR follows a set of criteria to identify key tier-1 suppliers, including suppliers' rating in the accreditation assessment, component importance, supplier's past performance, product and special processes, and sub-supply risks. During the Reporting Period, ZEEKR reviewed 80% of tier-1 suppliers, including 100% of the key tier-1 suppliers, and visited tier-N suppliers such as suppliers of chips, printed circuit boards (PCBs), special processes (heat treatment, welding, SMT, etc.), and reviewed 27 tier-2 suppliers. ZEEKR also requires tier-2 key components and special process sub-suppliers to meet IATF 16949 certification and ISO 14001 certification, and general sub-suppliers to meet ISO 9001 certification.

For tier-1 suppliers with issues (including ESG-related) identified in the reviews, the Group provided specific feedback and worked with the suppliers' relevant department heads to communicate on rectification and jointly formulate improvement plans. We also required the suppliers to complete the rectification within one month and conducted acceptance of the rectification results within 12 months in principle.

Supplier Grievance and Communication

The supplier relationship management system provides a variety of convenient communication channels for suppliers to communicate with the Group. Suppliers can communicate with the Group or file complaints about reviews through various channels such as compliance complaint mailbox (coc@geely.com), telephone, WeChat, and visits, and will receive feedback from the Group within five working days. Besides, the Group adopts a real-time communication mechanism and carries out two-way communication through various channels such as work exchange groups, roundtable meetings, on-site communication and supplier relationship management system. The Geely Supplier Code of Conduct, Code of Conduct and Whistleblowing Policy all provide formal channels for consultation, reporting and grievances, we encourage employees of all suppliers, subcontractors and sub-suppliers, as well as other stakeholders to consult, report and complain through appropriate channels.

We conduct supplier compliance talks as necessary, conduct irregular compliance talks with suppliers for key projects, and require suppliers to sign the Compliance Commitment Letter, and issued the Integrity Compliance Initiative Letter to the suppliers before holidays to identify and avoid corruption risks.



As of the end of the Reporting Period, the proportion of the Group's tier-1 suppliers obtained the following certifications are as follow:

- ⊕ IATF 16949 : 99% (-)
- ⊕ ISO 14001 : 90% (+6%pt)
- ⊕ ISO 45001 : 57% (+1%pt)

7.1.3 Supplier ESG Capability Enhancement

The Group adopts a scientific and dynamic supplier classification management system, which integrates the results of annual and other irregular reviews of suppliers, supply performance, status of new product production, major quality issues in the market and other types of information to classify and manage suppliers.

Meanwhile, we adopt corresponding capacity enhancement and management measures based on the supplier classification. We have set up a supply chain academy under Geely School, which is responsible for supplier system introduction, management introduction and culture introduction. We also conduct thematic improvement programs by focusing on suppliers' weaknesses.

Supplier Classification	Management Measures
Class I Suppliers	Quality Collaboration-Based: the Group promotes suppliers' independent management, based on indicators monitoring, performance management and discussions on quality
Class II Suppliers	Awareness Enhancement-Based: the Group conducts 5A capability improvement management on suppliers, base on unannounced review
Class III Suppliers	Training-Based: the Group conducts collaborative management with the suppliers, based on key capability improvement project
Class IV Suppliers	Management Interference-Based: the Group provides on-site support for suppliers' lean manufacturing, based on its own assurance system

The Group established a supplier capability improvement system based on quality assurance, and conducted the improvement and evaluation of supplier's capability from the aspects of management quality, R&D quality and manufacturing quality respectively. We conduct quality assurance training for all suppliers at least once a year. During the Reporting Period, the Group conducted 81 quality training sessions with a total of 491 hours, covering 81% of tier-1 suppliers, of which 53% of key suppliers participated in the training. ZEEKR conducted a total of 33 quality training sessions, with a total of 149 hours, covering 33% of tier-1 suppliers.

In terms of sustainability capacity building, we conducted a total of 12 training sessions during the Reporting Period, with a total duration of 22.5 hours, covering key topics such as sustainability awareness, carbon emissions, labor rights, responsible minerals, sustainable supply chain collaborative management tools, and analysis of excellent sustainability cases in the industry, covering 77% of tier-1 suppliers and 390 tier-2 suppliers, involving 6,853 participants. In terms of compliance awareness, we conducted a total of 818 compliance trainings (including the Geely Supplier Code of Conduct, anti-corruption and other key topics) during the Reporting Period, with a total duration of 409 hours, covering 85% of tier-1 suppliers and some sub-tier suppliers. In terms of carbon management, we have opened up a carbon footprint management system to suppliers. Tier-1 suppliers can invite their upstream suppliers to fill in data through this system to achieve efficient supply chain collaborative carbon reduction management. 374 suppliers have provided product carbon footprint data. During the Reporting Period, we provided online one-on-one carbon accounting guidance to 27 suppliers, and 2 suppliers received on-site guidance.

In addition, we have built a sustainability management system platform on the existing procurement platform to establish a stable and efficient channel for supplier data exchange. Through this platform, we provided sustainability trainings, guidance materials, and third-party resources to tier-1 suppliers, assisting them in developing sustainability plans and sharing resources for enhancing sustainability capabilities to their sub-suppliers. This promotes the overall improvement of the sustainability management level in the supply chain. The Group will conduct systematic and specialized ESG trainings for key suppliers next year, especially in the battery supply chain.

The Group also attaches great importance to the capacity building of its own supply chain management team, and collaborated with third-party external professional consultants to organize on-site ESG training for key personnel and senior management. Trained business personnel then conducted internal training to share the training content with all supply chain employees online. After the training, employees were required to pass the corresponding exams. The training focuses mainly on topics such as "Supply Chain Compliance in International Trade" and "How OEMs Can Collaborate in Carbon Reduction in the Supply Chain." During the Reporting Period, we organized 44 offline trainings for the internal supply chain management team and 335 online trainings, with an average training duration of 2 hours per employee on ESG topics.

7.2 Responsible Dealer ship

The Group’s dealer network covers 51 countries around the world, including 2,164 dealers (including Geely and Lynk & Co brands) in China. In overseas, there are 61 distributors, 379 sales and service outlets, and 11 Lynk & Co clubs. The dealer network of the Group mainly located in countries in Asia, Europe, Middle East, Africa and Latin America.

We attach great importance to create a responsible market ecology with dealer partners as the front line communicated with customers. We will proactively support dealers to establish standardized management systems, improve dealers’ service quality and ensure that consumers’ rights and interests are fully protected through diversified marketing trainings.

7.2.1 Integrity Management of Dealers

The Group is committed to regulating the work of dealers, conveying responsible management concepts and requirements, and working together with dealers to maintain a good market order. We conduct compliance audits on potential distributors during the entry stage, including business qualifications, legal qualifications and commercial reputation, to ensure the selection of trustworthy dealer partners.

The Group abides by the policies and rules such as the “Management Measures for Dealer Operations” and the “Management Measures for Dealer Integrity Points” to carry out daily dealer management and audit work, further constructing a comprehensive evaluation system covering the entire business chain of dealers, introducing process indicators and after-sales indicators, relying on on-site evaluation and back-end data monitoring of business departments, regularly evaluating authorized distributors nationwide in terms of performance evaluation, integrity points, sales health, financial health and other aspects. Among them, we record negative marketing events during the dealer’s business process on a monthly basis, evaluate the dealer’s integrity in terms of verification integrity, financial integrity, customer integrity, compliance integrity and compliance with market order, release the integrity management score and consider it as an important assessment part of the appraisal and entitlement of policy incentives of dealers. The coverage rate of the Group’s dealer management system has reached 100%.

- ⊕ Percentage of dealers affected by each measure of the quality management system: 100%
- ⊕ Percentage of dealers who prepared customer service quality standards documents, regularly updated and provided the updated documents: 100%

Responsible Marketing

The Group strictly abides by relevant national laws and regulations. In order to ensure that distribution of reliable product information to consumers by dealers, the Group has established a sound dealer communication management system, issued and implemented the Management Measures for Dealer Public Communication, standardized dealers’ database of external communication materials, defined dealers’ communication materials and production specifications, and ensured the consistency of communication content. We have established corresponding systems and procedures to ensure the formulation, distribution, and review of publicity content. The Brand Marketing Strategy Committee serves as the approval and management body, and the Legal Department of the Sales Department evaluates and reviews important publicity materials for exaggeration and compliance with advertising laws and regulations. We also update the communication planning system for distributor management as needed, ensuring that promotional content does not contain false, misleading, fraudulent, unfair, unclear, or ambiguous information.

In 2023, we formulated the Responsible Marketing Principles with the core principle of “customer-centric”. We integrated sustainability and business ethics into sales activities and provided relevant training and empowerment to over 2,000 distributors nationwide. We will work together with global dealers, service providers, advertising agencies, and other partners to enhance consumer awareness of sustainable consumption and guide consumers to prioritize products that are beneficial to society and the environment. Meanwhile, we pay attention to the environmental impact of marketing activities and strive for carbon neutrality throughout the entire marketing chain. We conducted specialized training on the use of “marketing superlatives” and empowered dealers with the same strict requirements. Any violations found will be immediately stopped, corrected, and remedial measures will be taken. In the case of legal violations, we actively cooperate with relevant authorities for law enforcement. No compliance-related incidents occurred during the Reporting Period.

During the product purchase process, the Group provides dealers with a standardized vehicle purchase contract template to avoid misleading or inaccurate information. Meanwhile, we require dealers to provide a user manual with the vehicle when delivering it, inform consumers on after-sales services such as service care classes, power battery recycling service points, and policies and subsidies related to car scrapping, ensuring the safety and rights of consumers and promoting fairness.

Dealer Audit and Incentives

The Group conducts quarterly audit on dealers. Based on the audit results, we provide support such as the “Quality Service Award, Terminal Award, Annual Excellence and Channel Development Priority” to leading dealers; include the identification of weak points and related dealers into the 15-day rectification closed-loop mechanism, and include tail dealers into abnormal channel control. As of the end of the Reporting Period, the audit coverage rate of domestic dealers was 100%, and about 7% of domestic dealers had abnormal audit results, of which 40% completed rectifications, and 18% completed withdrawal from the network and termination of cooperation. The audit coverage rate if overseas distributors was 62.3%, and the passing rate was 100%. We also conducted regular internal audits of overseas product/ service distribution networks through credit assessment, annual agreement signing, etc., with a coverage rate of 100%.

In order to continuously improve the service quality level of dealers, the Group has formulated the Geely Auto Sales Policy Management Specification, which specifies four categories of dealer incentive policies including basic, promotional, customers’ interest and special support. During the Reporting Period, we continued to optimize the Geely Auto Sales Policy Management Specification, and continuously updated the Management Measures for the Implementation of the Local Quality Service Award of Geely Auto and other management rules. We awarded outstanding dealers based on the dealer’s on-site audit results, customer service satisfaction and other multi-dimensional evaluations.

7.2.2 Improvement of dealer capabilities

The Group continues to enhance the professional service capabilities of dealers, establish a sense of integrity and compliance, and create high-quality benchmark services for dealers. We build a dealer talent management system from four aspects of selection, education, promotion and retention, continue to carry out systematic training in three dimensions of dealers’ product knowledge, position certification and sales skills, identify, cultivate and retain the elites in the dealer system, and build a dealer expert team.

The Group adheres to a user-oriented mindset and collaborates with various research, production and sales forces to develop product training courses and related materials. Through online live streaming training, offline centralized training and regional enhancement training, we carry out product training that covers 100% of domestic and overseas sales positions throughout the entire cycle of product pre-sale, product launch and product arrival. Also, we adopt methods such as video or in store verification to ensure that sales personnel are familiar with product highlights, accurately convey product characteristics to consumers, accurately meet consumer needs and ensure safety utilization.

The Group continues to promote the third-hierarchy certification for key management positions and dealer business positions. This is achieved through pre-training learning tests, daily checkpoints during training, post-training effectiveness tracking, and targeted reinforcement training, ensuring the effectiveness of training for each position/ level and enhancing the overall skill level of trainees. This approach aims to develop and manage dealer talents and extend coverage to frontline business personnel. During the Reporting Period, the certification coverage for key positions in the Geely brand exceeded 80%, and the evaluation coverage for business positions exceeded 70%. For the Lynk & Co brand, the certification coverage for key positions exceeded 90%, and the certification coverage for business positions exceeded 50%. The average certification rate for overseas dealerships increased by approximately 10%. In overseas distributor training, the Group clarifies the ability requirements and training objectives for key overseas positions, and develops a variety of course systems including service management capabilities for key position personnel, standard service processes for overseas service consultants, and certification of overseas technician repair capabilities and level. During the Reporting Period, the training coverage rate for key positions of overseas distributors was 100%. The Group also organized the first Global Service Skills Competition for service and technical positions, covering 4 major regions: the Middle East, Eastern Europe, Asia-Pacific, and Latin America. By conducting individual and team competitions for dealers, the Group provides a platform for talent enhancement and training for dealers, promoting skill improvement through competition.

Through offline training and seminars, online live streaming G school, etc., the Group synchronously carried out special training on customer service quality, privacy protection, integrity and compliance, sustainable marketing and other topics to dealers. During the Reporting Period, domestic dealers conducted a total of 1,555 trainings, with a cumulative training time of 16,849 hours and a coverage rate of 100%. Among them, 100% of dealers participated in customer service quality management training, 100% of dealers participated in compliance/Code of Conduct training, and 98% of dealers participated in sustainable marketing training. Overseas dealers conducted a total of 38 trainings, with a cumulative training time of 432.5 hours and a coverage rate of 79%. Among them, 100% of dealers participated in customer service quality management training, and 48% of dealers participated in sustainable marketing training.

With the rapid development of new media and digital networks, we also attach great importance to the just transition of digital marketing, and have established a dedicated operation and maintenance department in terms of organizational structure.

Empowering dealers in remote areas

Providing a variety of trainings:

1. After the launch of new car models, centralized training is conducted for key positions such as general managers, sales directors, internal trainers, and live streaming specialists to familiarize them with the products;
2. For absentees, online learning platforms such as “Galaxy Remedial Classes” and “Geely Academy” are provided, offering courseware and video content covering electronic manuals for various car functions, sales techniques, etc;
3. Operational improvement managers provide in-store coaching, prioritizing key cities, and then gradually extending the training to other regions;
4. Training for new dealers: Upon entering as new dealers, dedicated training is provided, along with standardized processes;
5. For dealers in remote areas, online sales assistants and training guidance are made available.

7.3 Industrial Collaboration

Geely Automotive officially joined the International Automotive Task Force (IATF) in 2021. As the only Asian automotive group with voting rights as a director, Geely Auto has collaborated with Chinese automotive manufacturers, upstream and downstream industries, and professional institutions to represent the Chinese market in the development of international quality standards. It actively promotes the improvement of global automotive industry standards and the standardization of Chinese automotive quality:

- ⊕ Participating in the global revision of IATF 16949 standards and incorporating Geely's mature concepts of end-to-end competitive quality management systems, management diagnostic methods, network and information security, and other content into the standards. This helps drive the IATF 16949 standard to adapt to the changes brought by the transformation of the automotive industry;
- ⊕ Initiating and promoting the establishment of the International Automotive Quality Standardization Association (IAQSA);
- ⊕ Actively participating in the development and discussions of relevant international standards;
- ⊕ Supporting the National Technical Committee on Standardization of Product Defects and Safety Management (SAC/TC463) and the International Organization for Standardization in the development of standards for intelligent connected vehicle quality and software-related standards.

Besides, we have joined the 4 national standardization technical committees including the National Technical Committee of Auto Standardization (the "NTCAS"), the National Information Security Standardization Technical Committee of China (the "NISSTC"), 24 subcommittees including the Complete Vehicle sub-committee, Automotive Energy Saving sub-committee, Intelligent and Connected Vehicle sub-committee, Automotive Impact Test Procedures and Crash Protection sub-committee and Electric Vehicles sub-committee under relevant committees, and 35 working groups including big data security. As of the end of 2023, Geely Auto has led and participated in the formulation of 445 international, national, industry, local and Group standards, and has completed the release of 267 standards, including 139 national standards, 12 industry standards, and 6 local standards and 110 Group standards.

2023 International Automobile Design Forum and Geely Design 10th Anniversary

In December 2023, the International Automotive Design Forum, hosted by Geely Innovative Design Institute and guided by Geely Auto and the China Industrial Design Association, was successfully held in Shanghai. Geely Design, in collaboration with the China Academy of Art, made a significant announcement by releasing the "White Paper on the Disclosure System of Chinese Automobile Design (First Edition)" in the field of Chinese automotive design. This publication supplemented and improved the research system of Chinese automotive design, establishing a new design language system with Chinese characteristics and promoting the transformation from "Made in China" to "Created in China."

The forum brought together influential figures from the automotive industry, academic research, research and development design, and media, both domestic and international. They engaged in in-depth discussions on topics such as how "good design" can change the world in the era of intelligent electrification, as well as the collaborative development of China's design talent "innovation cultivation system."



Release of the "White Paper on the Disclosure System of Chinese Automobile Design (First Edition)"

8

Employee Rights

Material
Issues

- ⊕ Occupational health and safety
- ⊕ Employee rights and interests
- ⊕ Employee training and development
- ⊕ Diversity and equity



Employee Rights

- ⊕ Employee satisfaction score: **84** (↓ 2)
- ⊕ Diversity, Equality and Inclusion (DEI) satisfaction score: **88**
- ⊕ The proportion of female management **14%**
- ⊕ **3,445 ethnic minority employees** and **9 disabled employees**
- ⊕ Conducted a human rights survey for **100%** of employees

Employee Compensation and Benefits

- ⊕ Implemented salary structure adjustments and launched a new option plan, achieving **Co-prosperity**

Training and Development

- ⊕ **100%** employee training coverage
- ⊕ The average training hours for employees reached **84 hours/person**
- ⊕ Organized **1.82 million hours** of special electrification and intelligence training, promoting just transition

Occupational Health and Safety

- ⊕ **100%** of employees received health and safety training
- ⊕ **100%** of the vehicle plants have obtained ISO 45001 certification
- ⊕ **Zero** work-injury related and occupation disease accident
- ⊕ 200,000-hour Lost time injury rate (LTIR): **0.07**

ESG Strategy: Co-prosperity



8.1 Human Capital Management

The Group has always adhered to the corporate philosophy of "respecting people, fulfilling people, and satisfying people" and an attitude of openness, equality, respect, and inclusiveness. The Group is committed to abiding by international human rights and labor standards and protecting the legitimate rights and interests of employees. We focus on the three major talent development strategies of "Talent Forest", "Four Modernizations and One New (四化一新)" and "Co-prosperity - Employees" to attract and retain talents, create a diverse, equal, healthy and safe working environment, and provide employees with opportunities for just transition through reskilling and upskilling, helping the sustainable development of the enterprise.

Governance:

The Group has established an ESG governance structure to address risks and opportunities related to sustainable development (including employee rights and interests, occupational health and safety). For details, please refer to "2.2 ESG Governance" in this Report. The Talent Management Department is one of the daily management organizations, focusing on talent recruitment, employee rights and welfare, employee training and development, and the construction of diversity, equity and inclusion. We attach great importance to protecting and promoting the physical and mental health of our employees. The Safety and Environmental Protection Department one of the daily management organizations, being responsible for coordinating the occupational health and safety management of each subsidiary.

Strategy:

We uphold the concept that talent is the primary resource, and regularly conduct analysis of the current situation of the talent team and forward-looking prediction work to ensure that we have a talent team that can cope with future challenges. The Group focuses on three major talent development strategies: "Talent Forest", "Four Modernizations and One New" and "Co-prosperity - employees". By creating a diversified workplace environment, we help employees adapt to new technologies and changes in working methods, and provide employees with just transition opportunities. We provide employees with a safe and healthy working environment, and improve employee happiness and satisfaction.



"Talent Forest" Theory

On the one hand, through the introduction of external high-end talents to form a big talent team and providing requisite external conditions for growth. On the other hand, it enables common growth of smaller branches along with the big team through internal cultivation and branch formation and in the end, they will grow together into a layered and staggered talent team of Geely Auto with strong vitality and ecological regulation functions.



"Four Modernizations and One New" Talent Strategic Plan

The Group accelerated the introduction of high-end talents with the characteristics of new four transformations (electrified, intelligent, connected, shared & service), internationalization, youth and digitization worldwide to promote the establishment of science-based talent structure. Meanwhile, we advocated new organizational culture by building a management team with business and operation capabilities and leadership on one hand, and cultivating a team of employees who take responsibility, create value for users, collaborate efficiently and embrace change on another, which provides strong support for the Group's strategic transformation of human resources.



"Co-prosperity - employees "

From the three aspects of "digitization, diversification, and comprehensiveness", the Group built a talent team with digital transformation thinking and provided employees with a safe and healthy working environment under the backdrop of digital and intelligent manufacturing. The Group discovered the value of talents in diversity, improved the career path of employees, promoted the construction of the entire lifecycle of employee career development, to realize the co-prosperity and development between employees and the Group.

Management of Risks and Opportunities:

Based on the analysis of human capital risks and opportunities, we establish and timely adjust talent development strategies to better promote the sustainable development of the Group.

The main risks/potential risks related to human capital of the Group are mainly reflected in five aspects:

- ⊕ **Talent recruitment:** Talent recruitment and retention risk. The rapid development of NEVs, fierce competition for talents and scarcity of high-end technical talents, increase the difficulty of attracting and retaining talents as well as result in related costs of talent attracting and retaining. In addition, there is a shortage of international talents, insufficient dispatched personnel, etc., which hinder the expansion of overseas business.
- ⊕ **Employee training and development:** Just transition risk. Personnel knowledge and skills cannot adapt to new technologies and new working methods, and thus cannot meet the needs of business development, resulting in unequal opportunities, communication failures, employee turnover, reputation impact and financial impact of reduced operational efficiency.
- ⊕ **Employee rights and interests:** Human rights risk. The rights and interests of employees may be ignored during business expansion and development, especially for vulnerable groups that are susceptible to human rights risks (including but not limited to: women, children, people with disabilities, ethnic minorities / indigenous people, foreigners, migrant workers, sexual minorities /LGBTQ+ , etc.), thereby negatively affecting employee well-being and corporate productivity, leading to reputational losses, social criticism, legal penalties and legal costs arising from violation of regulations and legal proceedings.
- ⊕ **Diversity, equity and inclusion:** Cultural integration risk. Overseas business expansion involves difficulties in cultural integration between dispatched employees and locally hired employees in terms of political, religious, cultural, etc., as well as a lack of understanding of the laws, regulations and policies of the place where they operate, which results in a decrease in operational efficiency and an increase in expenses for attracting and retaining talents.
- ⊕ **Occupational health and safety:** In addition to transmission diseases and occupational diseases, a series of safety production risks are included such as human errors and accidents, human-machine collaboration, as well as labor intensity and workload that cause physical and mental health problems and reduced efficiency of employees, leading to high turnover, and even affect corporate reputation or cause legal disputes and operating losses.

The main opportunities/potential opportunities related to human capital of the Group are mainly reflected in three aspects:

- ⊕ **Employee composition:** Opportunities to innovate and enhance competitiveness. Adhering to the innovation of organizational culture, the Group has recruited young talents through campus recruitment projects such as "Outstanding Youth" of Geely Auto and "ZEEKR Scholar" of ZEEKR to increase the proportion of young cadres. The innovative capabilities of the talent team are enhanced through skills training to further promote intelligent, innovative, and digital business transformation, resulting in improvement of operational efficiency and increase in related business revenue.
- ⊕ **Diversity, equity and inclusion:** Opportunities to promote communication and teamwork. Employee survey and diversity, equity and inclusion activities can be conducted to enhance team communication and collaboration, eliminate misunderstandings and resolve conflicts. By respecting and embracing different views and backgrounds, team members can cooperate better and achieve common goals, resulting in improvement of operational efficiency.
- ⊕ **Compensation and benefits:** Opportunities to attract talents and improve satisfaction. By adjusting the salary structure and launching a new option plan, employee income growth has been achieved. All employees are insured, ensuring health protection for employees and their families. Besides, the retention of high-value talents also improves the Group's operational efficiency and reduces the cost of re-recruitment.

The Group has developed relevant management measures for the above risks and opportunities related to human capital. Please refer to the later part of this section.

Metrics and Targets:

Metrics	Geely Auto's Targets	Progress
Gender Equality	Adhere to equal pay for men and women for equal work, and focus on empowering female leadership; achieve more than 20% of women in management (deputy director level and above) by 2025, conduct diversity policy training for 100% of employees, and achieve a survey satisfaction rate of 80% on diversity, equity, and inclusion.	<ul style="list-style-type: none">⊕ Promoted 7 new female management in 2023, accounting for 14%⊕ Satisfaction rating of 88 points for diversity, equality and inclusion
Just Transition	We regard new energy transformation and digitization as the core of future staff capacity development, and will establish an employee digital competence management system, and provide specialized training in digitalization for 100% of key positions.	<ul style="list-style-type: none">⊕ 49% of the total number of employees received electrified training, with a cumulative total of more than 1.7 million hours of training⊕ Digital training covered 100% of key positions and focused on digital product managers and smart manufacturing employees, with 119,030 hours of digital training throughout the year
New Four Modernizations Talents	Increase the proportion of "new four modernizations" talents in vehicle R&D to 40% in 2023.	<ul style="list-style-type: none">⊕ In 2023, the share of the New Four Modernizations talents in vehicle R&D was approximately 40%
Employee Health and Safety	Provide a safe and healthy working environment for employees, focusing on occupational health and safety management in intelligent manufacturing scenarios, and realizing the transformation of occupational health into "Geely Health"	<ul style="list-style-type: none">⊕ The safety target completion rate was 100% in 2023

8.2 Employment

The Group strictly abides by labor laws and regulations applicable to the locations where it operates, establishes and improves recruitment mechanisms, and formulates the Recruitment Management System to standardize recruitment process such as recruitment requirements, interview screening, and approval and employment. We adhere to the principles of “openness, fairness and impartiality” to eliminate any discrimination, and carry out various recruitment activities through multiple channels to continuously expand the domestic and foreign talent team.



A total of **24,328** new employees were recruited, and the total number of employees reached **60,296** (Mainland China: 60,187; Hong Kong, Macao and Taiwan: 14; Overseas: 95) ¹
Among them, **53,998** were full-time employees, accounting for **90%**.

In 2023, the Group actively performed talent introduction and employer brand building focusing on its “Talent Forest” strategy implementation and “Four Transformations and One New” strategic transformation, and endeavored more efforts in innovation and achieved breakthroughs in multiple dimensions in talent market analysis, talent precise supply, and talent entrance examinations. We adopt the model of “social recruitment + internal recruitment + global campus recruitment” to continuously expand our talent team, while continuously strengthening talent reserves to help our Group move towards a new stage of comprehensive development of digitalization, intelligent, and decarbonization.

Social recruitment	⊕ We achieved the transformation of talent introduction from “high quantity” to “high quality”. Exploring in depth of the potential of talent market in core value chains of automotive New Four, digital brand marketing, intelligent supply chain and manufacturing, and exporting to overseas markets. We have promoted the construction of a talent forest, and set up a specialized team to focus on “tower top” and “key” talents. Throughout the year, nearly 10,000 social recruitment talents were introduced.
Internal recruitment	⊕ We explore and build an internal talent market. To encourage employee development, we cultivate interdisciplinary talents and promote the long-term development of employees within the organization. An internal recruitment activity “Vitality Scheme” was launched to encourage each unit to provide internal recruitment positions and promote employees to achieve diversified development paths through internal job transfers. There were approximately 5,000 positions filled by internal candidates. To advocate internal recommendations to introduce high-quality talents, exclusive channels for internal recommendations incentives were developed, and the vacancies of Geely Auto filled by internal candidates accounted for above 30% throughout the year.
Global campus recruitment	⊕ We carry out campus recruitment activities for global graduates. The recruitment positions involve R&D, powertrain, automotive design, marketing, functional support, supply chain/quality/SQE/ME , etc. While providing employment opportunities for graduates in multiple positions, the recruitment of talents empowers the expansion of Geely Auto’s global business. A total of 3,144 graduates were recruited through campus recruitment throughout the year.



In 2023:
Implemented the “Big Camphor Tree” program, focusing on scientific research and top talents, and **introducing 5 leading talents** in the focused areas

Cultivated the “Little Seedlings” program, consolidate the construction of talent teams and strengthen the reserve of young talents, the proportion of management **increased by 2%**

Strategic talent reserve

In order to ensure the demand for key talents in the Group’s future business strategy, we continue to build a reserve talent development platform, and plan a full lifecycle training and development path according to the characteristics and development goals of different types of talents (including the cultivation of interns, campus recruitment talents, and key business backbones, professional backbones and management talents) provide targeted selection, training, and development resources for talent matching.

Geely Auto is committed to improving the current shortage of practical and interdisciplinary talents in the intelligent manufacturing industry. Adhering to the principle of “coordinated education and win-win cooperation”, we cooperated with colleges to jointly create an educational resource platform with dual-core of the “Industry-Education Integration Community of the Ministry of Education” and the “Industry-Education Collaborative Talent Cultivation Alliance of Geely Auto for Mechanical Industry”, focusing on three key contents: humanistic concept, education methods, and development directions. In 2023, we carried out five key tasks: upgrading the school-enterprise model, the craftsman preparation plan, the training of dual-qualified teachers, scientific research projects and teaching material development, and cooperation with industry colleges.

¹ The data do not include the 786 employees in the overseas regions of ZEEKR



In 2023:
Upgrade of school-enterprise cooperation model: Applied for **three industry-education integration community of the Ministry of Education**, and established **1 education-industry integration training base**
Training of dual-qualified teachers: Shortlisted for the “National Vocational Education Teacher Enterprise Practice Base”, planned and carried out 3 phases of dual-qualified teachers’ enterprise practice projects, and trained **105 dual-qualified teachers** from **63 schools**
Scientific research projects and teaching material development: Completed **10 research projects and published 1 textbook** in cooperation with multiple units such as the Central Research Institute
Cooperation with industry colleges: Built 16 industry colleges and carried out **12 research and study group activities**



Geely Auto helped colleges cultivate talents and provided technical talents for enterprises

Since 2018, Geely Auto has signed a school-enterprise cooperation agreement with Xi'an Jiaotong University City College to jointly established the employment-oriented “Geely Excellent Engineer Class” under the new engineering training model, and implemented the “3+1” school-enterprise collaborative education model. As of the end of the Reporting Period, the project had enrolled 6 classes, of which 150 high-quality applied technical talents in intelligent manufacturing system operation and maintenance have been provided to the enterprise from 4 classes.

8.3 Employee Rights

The Group adheres to the people-oriented principle and is committed to respecting international human rights standards such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the conventions of the International Labor Organization, to effectively protect the legitimate rights and interests of all employees, and continuously improve employee satisfaction.

8.3.1 Human Rights Protection

The Group preliminarily formulated the human rights management approach and initially identified 11 potential salient human rights issues involved in the following surveys, see “5.3.3 Human and Labor Rights” of this Report for details. We carry out multi-dimensional employee human rights protection work, strive to prevent human rights violations, and effectively protect the basic rights and interests of employees. During the Reporting Period, the Group incorporated human rights management evaluation into effectiveness survey for all employees, and conducted a survey for employee groups who are vulnerable to human rights risks and those who are familiar with human rights of employees to identify human rights risks at the employee level, thereby strengthening relevant risk response and management.

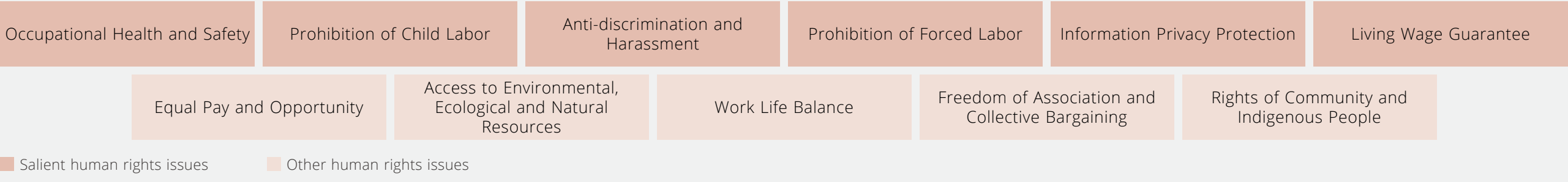
For all employees

- ⊕ For the first time, we integrated human rights management evaluation into the employee effectiveness survey, which was available in 8 languages (Chinese, English, Spanish, Korean, Japanese, Russian, Malay and Swedish), covering 100% of employees in our global business;
- ⊕ We assessed the maturity and gaps in human rights management through the human rights management evaluation for all employees.

For employee groups at risk of human rights violations

- ⊕ We identified vulnerable employee groups with reference to international human rights standards and conducted a detailed human rights survey on a random sampling of these groups, covering groups such as pregnant women, ethnic minorities/indigenous people, foreigners, and migrant workers;
- ⊕ We identified the groups with knowledge of the human rights situation of the Group’s employees, and randomly selected samples from these groups to conduct detailed human rights survey, covering the following groups: ESG officers or contacts of business units, human resources business partners of business units and trade union representatives;
- ⊕ We investigated the human rights issues ever encountered, the impact of each type of potential salient human rights issue on the respondent themselves and/or the employee groups they represent (rather than the Group’s business) (based on severity and likelihood, with higher weight given to the former), whether there are any other prominent human rights issues that had not been listed, the convenience of appeal channels, language preference suggestion and preference on grievance, etc.

Based on the internal and external reference information listed in Part B of “5.3.3 Human and Labor Rights”, the following is a preliminary list of potential salient human rights issues, and combined with the analysis of the research results, we identify salient human rights issues and other human rights issues:



Note: The above identified human rights issues do not represent the human rights issues arisen in the supply chain of the Group.

The Group has made relevant commitments and taken measures to address salient human rights issues in the Code of Conduct. Besides, we also pay attention to other human rights issues and will continue to optimize the identification, due diligence and response to salient human rights issues, so as to avoid, mitigate and remedy related impacts to the greatest extent possible.

Salient human rights issues	Commitment in the Code of Conduct	Countermeasures
Occupational health and safety	We are committed to minimizing health and safety risks and impacts by continuously improving working conditions, implementing various risk prevention and health promotion measures, providing all employees with necessary safeguards which meet occupational health and safety standards and setting performance targets for health and occupational safety.	Please refer to “8.6 Occupational Health and Safety” for details
Prohibition of child labor	We respect and support children’s rights, including the United Nations Convention on the Rights of the Child and the Children’s Rights and Business Principles, and eliminate the employment of child labor in all businesses and firmly oppose any use of child labor, and do not cooperate with any suppliers that intentionally use child labor. We adopt effective procedures and methods to identify the age of workers during recruitment to ensure that workers must meet the minimum working age stipulated in the International Labor Organization’s Minimum Age Convention and applicable local laws upon employment, and prevents the accidental recruitment of child labor due to workers providing false age documents, and establish and maintain child labor relief procedures. Once child labor is discovered, immediately stop their work, terminate the employment of child labor and initiate child labor relief procedures.	<div><div>⊕</div>Eliminate child labor in all businesses and firmly oppose any use of child labor;</div> <div><div>⊕</div>Effective procedures and methods should be adopted when recruiting employees to identify the age of workers, including pre-employment credit checks, including identity information verification, to prevent the accidental recruitment of child labor due to workers providing false age-related documents;</div> <div><div>⊕</div>Ensure that workers must comply with the International Labor Organization’s Minimum Age Convention for Admission to Employment and minors of the minimum age specified by applicable local law;</div> <div><div>⊕</div>Establish and maintain child labor relief procedures. Once child labor is discovered, it will immediately stop its work and terminate its employment and enable child labor relief procedures.</div>

Salient human rights issues	Commitment in the Code of Conduct	Countermeasures
Prohibition of forced labor	We respect the International Labor Organization's Forced Labor Convention and the Abolition of Forced Labor Convention, and eliminate all forms of forced labor, slavery and human trafficking in all businesses, and supervise the relevant acts of partners (such as suppliers and recruitment agencies), including: prohibiting the use of misleading or deceptive methods when providing employment opportunities; not charging recruitment fees or related costs to job seekers and employees; not retaining, destroying, or concealing employees' resident ID cards or other passports; not requiring employees to provide guarantees or collecting money from employees in other names; prohibiting insult, physical punishment, beating, illegal search or detention of employees; and prohibiting the use of violence, threats or illegal restrictions on personal freedom to force labor.	<div><div>⊕</div>All businesses are free from forced labor, slavery and human trafficking, and the relevant behaviors of partners (such as suppliers and recruitment agencies) are monitored;</div> <div><div>⊕</div>Prohibit the use of misleading or fraudulent behaviors in providing employment opportunities;</div> <div><div>⊕</div>Prohibit the occurrence of recruitment fees paid by employees;</div> <div><div>⊕</div>Prohibit the confiscation, destruction or concealment of employees' resident ID cards and other documents;</div> <div><div>⊕</div>Shall not require employees to provide guarantees or collect money from employees under other names;</div> <div><div>⊕</div>Insults, corporal punishment, beatings, illegal searches and detention of employees are prohibited;</div> <div><div>⊕</div>Forced labor by means of violence, threats or illegal restriction of personal freedom is prohibited.</div>
Information privacy protection	We undertake to protect the personal information of its employees, customers, suppliers and other relevant information subjects by collecting, acquiring, processing, using and storing personal information in strict accordance with the applicable legal provisions of each business location. We guarantee that personal information will only be collected, stored, processed or otherwise used to the extent permitted by law and in accordance with the applicable legal basis, such as the consent of relevant information subject, signing of contracts, or other legal process requirements.	Please refer to "5.4.2 Privacy Protection" for details
Living wage guarantee	We undertake to comply with internationally accepted human rights and labor standards and provide fair salary and welfare, paid leave as well as health protection in accordance with applicable laws and regulations, local market conditions and living standards. We undertake to pay wages in full and on time, showing legitimate deductions in the payslips.	Please refer to "8.4 Employee Compensation and Benefits" for details

During the Reporting Period, the Group did not hire or use any child labor or forced labor, nor did it violate laws and regulations related to employment, child labor, forced labor and other human rights laws and internationally accepted labor standards.

Grievance channels

We have zero tolerance for violations of basic human rights and have established grievance procedures and means that are legitimate, accessible, fair, clear and transparent, and dialogue-based and mediation-based. When employees encounter discrimination, sexual harassment or other unfair treatments, employees are encouraged to file complaints through established channels (including but not limited to: the grievance channels set out in the Code of Conduct, the Whistleblowing Policy, the "Echo Community" online platform), we ensure the independence and confidentiality of complaint handling and protect the safety of employees who file complaints.

- ⊕

In the human rights survey for all employees, employees in general believe that the Group provides grievance channels that allow employees to report unethical behavior or practices (such as bullying, sexual harassment or discrimination) without fear of retaliation.
- ⊕

In the survey for vulnerable employee groups, we further understood their evaluation and suggestions on the use of existing grievance channels (including but not limited to: convenience and effectiveness of channels, conformity with language conventions, etc.). Based on the above suggestions, the Group will further review and optimize the grievance channels to enhance their effectiveness.

Through the above-mentioned risk identification work, the Group further reviewed the internal human rights management, including policy declarations, complaint handling, remediation plans, etc.:

- ⊕

Reviewed and revised the Code of Conduct and Geely Supplier Code of Conduct to clarify the relevant requirements for employee rights protection;
- ⊕

Reviewed and revised the Labor Management Regulations in the Employee Handbook to ensure consistency and compliance with the policy declarations;
- ⊕

Sorted out and summarized the human rights complaint issues through various channels (including compliance mailboxes, "Echo Community", etc.), and subsequent problem handling and remediation methods.

Remedial mechanism

We are committed to providing remedial measures for individuals, employees or communities who may be or have been adversely affected, including providing whistleblowing and grievance channels. We also commit to not hindering affected parties from using other legal remediation channels or procedures. Where appropriate, we are committed to working with suppliers or other organizations to remedy adverse impacts directly related to the company's operations, products or services.

8.3.2 Diversity, Equity and Inclusion

The Group undertakes to provide equal opportunities to all employees in terms of employment, promotion and remuneration, and prohibits any discrimination based on gender, race, color, religion, age, origin, educational background, marital status, maternity status, disability, sexual orientation, nationality, political opinion, union affiliation, social background, and any other characteristics protected by applicable laws.

In our labor documents and various employee notices, we emphasize respecting each employee and providing fair development platforms and opportunities for all employees. We actively promote the participation of different types of employees and form diversified teams to create a work environment that embraces diversity of opinions, viewpoints and beliefs. We are committed to respecting and supporting the rights and interests of women, children, migrant workers, people with disabilities, aboriginal/indigenous people and relevant conventions.

Diversity management mechanism

<p>Female employee management</p> <p>⊕ We pay attention to the female employee group and attach great importance to the protection of female employees in operations. We issued and signed the "Special Agreement on the Protection of the Rights and Interests of Female Employees" and the "Dual Love Joint Agreement". We provide female employees with an equal development platform and cultivate female leadership. We guarantee that female employees enjoy maternity and breastfeeding leave in accordance with the law. Through the Geely Health platform, a series of activities caring for women's health are regularly promoted.</p>	<p>Disabled employee management</p> <p>⊕ We fully guarantee the employment rights of persons with disabilities and provide them with open and equal employment opportunities; enhance the placement and support management of existing employees with disabilities; care about the daily life of employees with disabilities; and maintain a stable employment for persons with disabilities.</p>	<p>Ethnic minority employee management</p> <p>⊕ We care about ethnic minority employees, respect their ethnic religious beliefs and customs, and provide them with help in their daily lives.</p>	<p>Foreign employee management</p> <p>⊕ We respect the traditional festivals, religious beliefs and customs of employees from different cultural backgrounds, and carry out cross-cultural Integration activities to create an inclusive corporate culture. We have formulated regulations such as the Management Regulations on Local Employment of Non-Chinese Employees and the Management Regulation on Remuneration and Welfare for Non-Chinese Employees Employed Locally to protect the legitimate rights and interests of foreign employees, providing foreign employees with various care measures such as housing, children's education, insurance, vacations, and family visit benefits.</p>
<p>Key Performance In 2023, we launched 2 public courses on female leadership</p>	<p>Key Performance In 2023, a total of 9 disabled people (with disability certificate) were employed</p>	<p>Key Performance As of the end of the Reporting Period, we employed 3,445 ethnic minority employees</p>	<p>Key Performance As of the end of the Reporting Period, we employed a total of 136 foreign employees</p>

We attach great importance to checking whether there are any direct or indirect discrimination in our own operations, and regularly assess the impact of policies and business operations on promoting equal opportunities and non-discrimination, so as to ensure there is no discriminatory behaviors. During the Reporting Period, the Group did not have any employee discrimination incidents of gender, disability, ethnicity, religious belief, skin color, etc.



Celebrating International Women’s Day on 8th March

On 8th March 2023, the International Women's Day, the Group's labor union collaborated with various business units and departments to carry out a series of welfare activities for female employees, such as women's healthcare seminars, flower arrangements, baking, and beauty cosmetics.

Setting up a mother and baby care room

Geely Auto has set up 24 mother and baby rooms to meet the needs of 131 breastfeeding female employees in the workplace. The humanized, private and warm decoration, as well as complete hardware facilities, create a convenient, clean and comfortable environment for female employees.



In 2023:
Female employees accounted for 17% (2022: 19%),
female mid-level personnel accounted for 11% (2022: 10%),
female senior personnel accounted for 10% (2022: 10%)

8.3.3 Democratic Communication

The Group respects employees' rights to freedom of association (such as labor unions) and collective bargaining in accordance with the laws and regulations of the place of operation, and protects employees from discrimination, harassment, coercion or retaliation for exercising their rights to form, join, or refuse to join labor unions and engage in collective bargaining.

We attach great importance to the opinions of employees, encourage employees to fully participate in the enterprise democratic management, continue to improve the democratic management system with Employees' Representatives Conference as the main body. We respect the rights and interests of our employees, and actively consulted and negotiated with the labor union on the revision of major policies. For important matters that involve the vital interests of employees, such as the revision on labor discipline, attendance policy, performance system and major change of the Group's operation, we adopted the form of collective consultation, and all relevant departments must negotiate and discuss with the labor union. We have formulated successively the Regulations of Employees' Representatives Conference, the Framework Measures for Collective Consultation Work, Collective Contract, the Wage Agreement, and the Special Collective Contract for Labor Safety and Health, to effectively protect employees' rights to know, participate, express and supervise.

We carry out collective negotiation every three years, which not only protects the rights and interests of employees, but also has a positive impact on our policy formulation, solution seeking, management changes, among others, and is conducive to the establishment of good relations between enterprises and employees, and promotes harmonious and stable labor relations and healthy development of enterprises.



In 2023:
100% of mainland Chinese employees joined labor unions
Collective contract signing coverage reached **100%**

Besides, the Group has established multiple employee communication channels, and continued to hold various dialogue activities, such as employee conferences and employee symposiums, mailboxes of the Chairman of the Board, the Labor Union President and the general managers of business units, and continued to operate special communication channels such as "Heart Channel", "Talk to the Tree Hole" and "Dialogue Marketing", actively guiding employees to understand the dynamic information of corporate development and actively responding to employees' reasonable demands.

Holding the Employees' Representatives Conference	Mailboxes of Leaders	Creating an Online Public Platform
<div>⊕ An employee representative conference is held every year to discuss major decisions related to the Group and important matters related to the interests of employees, e.g., collective wage negotiation, signing of collective contracts, etc.</div>	<div>⊕ The mailboxes of the Chairman of the Board, the Labor Union President, and the Secretary of the Commission for Discipline Inspection are made public so that employees can express their opinions, suggestions, feelings and demands to the Group's leaders through the mailboxes.</div>	<div>⊕ Employees can timely obtain public information on a public platform covering the entire Group, such as personnel appointments and removals, policy releases, etc.</div> <div>⊕ Employees can express their opinions and participate in discussions on the online communication platform "Echo Community".</div>



“Echo Community” received a total of **390 valid problem** posts in 2023, and all problems have been solved, with an overall response rate of **100%**, and various problems encountered by employees in their daily work have been responded to in a timely manner.



The Research Institute carried out employee communication activities, creating a harmonious and friendly environment

In 2023, Geely Automobile Research Institute organized communication activities for different employee groups. A total of 178 employee symposiums were organized by business units to listen to employees, identify and solve problems in a timely manner. A total of 3 “HELLO, New Classmates” activities were held to help newcomers quickly integrate into the team, and 6 “Dialogue under the Camphor Tree” activities were carried out for different employee groups to communicate with senior management. The Group has organized 3 “Party and Mass Voice Symposiums” to collect 100+ suggestions from employees, and carried out 7 “Family Open Day” activities to connect with family members of employees, allowing family members to learn more about the working environment of employees.

8.3.4 Employee Satisfaction

The Group has formulated and implemented the Employee Satisfaction Survey Management Regulations and has cooperated with consulting organizations to conduct employee engagement surveys for 9 consecutive years. In 2023, the Group conducted a satisfaction survey for 100% of its employees (including overseas regions) to collect opinions and suggestions on more than 20 dimensions of satisfaction, such as the Group’s strategic confidence, salary performance, corporate culture, entry experience, supervisor support, career development, teamwork, ESG, etc. The opinions and suggestions on various aspects such as improving management level, improving organizational effectiveness, etc. provide direction and guidance for subsequent enterprise management and human capital management. At the same time, we have established a tracking mechanism for the implementation of the efficiency improvement action plan to track the progress and implementation effects of each unit’s plan on a quarterly and annual basis, providing direction and guidance for subsequent improvements.



In 2023:
Employee satisfaction survey covered **100%** of employees (including overseas regions)
Employee satisfaction results (including overseas regions) were **84 points** (2022: 86 points)

The Group has been recognized by many external organizations in terms of employee management. During the Reporting Period, we promoted employer brand culture through multiple channels such as social recruitment and school recruitment online and offline as well as on and off campus, accelerated the transformation of the Group to “technology-based” employer brand image. In the past 3 years, we won a number of awards in the annual selection of major recruitment websites, including the “Best Employer Brand of China’s Top Companies” granted by LinkedIn, the “Extraordinary Employer” granted by Liepin, the “Most Intellectual Spirit Employer” granted by Zhaopin, “Ciwei Employer Brand List” of ciwei platform, the “Most Influential Young Employer Brand”, the “Intelligent Innovative TOP Employer” of lagou.com, the “Most Popular Employer among College Students” of nowcoder.com, the “Most Influential Employer” of haitou.com, etc. In the future, we will continue to improve the employer brand to gain more recognition from society and talents.



In 2023:
The Group had no major retrenchment¹ or employee strike of any kind.
The total employee turnover rate was 17.5% (2022: 19.7%).
The ratio of the re-employed employees was 16% (2022: 15%).

8.4 Employee Compensation and Benefits

The Group provides fair compensation and welfare, paid leave and health protection in accordance with applicable laws and regulations, local market conditions and living standards, including but not limited to: remuneration that meets the national minimum wage standard, statutory paid vocations, maternity allowances, etc., and strictly following national regulations to allow employees to enjoy annual leave, sick leave, maternity/paternity leave, childcare leave, marriage leave, compassionate leave, and nursing leave for single child. We are committed to paying employees their salaries in full and on time, and providing employees their respective payrolls and also specified therein any legal deductions. We have formulated the Salary Management System, Welfare Management System and Incentive Management Measures applicable to all employees.

1 : Major retrenchment means the number of layoffs is more than 10% of the total number of employees, or more than 1,000 employees.

8.4.1 Salary and Performance Incentive

The Group adheres to the principle of equal pay for equal work, adheres to the performance management philosophy of “high challenge, high performance, high return”, established and continues to improve the remuneration and welfare system. To encourage value creation and increase motivation of employees, the performance evaluations are correlated with short-, medium- and long-term incentives, salary increases, promotions.

Based on different business characteristics, the Group developed a remuneration system centered on salary growth and performance incentives for all employees, implemented efficiency improvement measures on a regular basis, encouraged business units to improve efficiency through innovations, and drives the common growth of revenue and employee benefits.

In 2023, we further adjusted the salary structure, increase the fixed income of some personnel, and launched a new option plan to achieve employee income growth. 100% of the employees of the Group participated in the target management assessment, clear and measurable targets are set for all employees. Meanwhile, we have fully implemented the “Double Hundred” appraisal system. Employees’ performance is evaluated at the score of 100 points each from their actual contributions to the organization and employees’ capabilities, with a focus on ability enhancement, cadre ability shaping and improvement as well as the extension and development of employee ability.



In 2023:
Social insurance premiums covered 100% of employees
The ratio of the standard basic salary of male and female employees of Geely Auto Hangzhou headquarters and Research Institute to the local minimum wage exceeds 193% and 201% respectively
100% of employees participated in target management assessments

8.4.2 Care for Employees

The Group has built an integrated and customized employee care system throughout their career from on-boarding, on-position, resignation and retirement. We have established the systems for caring and encouragement, mutual support among employees, and education aids. We have achieved the following: celebrating birthdays, weddings, and childbirths, visiting hospitalized employees, helping employees with family difficulties, expressing condolences on deaths, and rewarding employees’ virtuous acts. We are concerned about the needs of different groups of employees and their families, and have offered diversified care and condolences to retired employees, female employees, second generation employees, ethnic minorities, employees from Hong Kong, Macao, and Taiwan, non-Chinese employees, transferred/retired officers and their families, graduates from abroad, volunteers, model employees, spouses of employees who passed away during employment, etc.

Geely Employee Care System Throughout Their Career



In 2023, we revised and implemented the “Implementation Regulations for Employee Care and Mutual Assistance”, The implementation of care and mutual assistance standards comprise of employee blessings (marriage and maternity), condolences (hospitalization and retirement), assistance (life difficulties, major illnesses and pension), and incentives (education, professional titles and skills improvement, etc.).

Employee healthcare	⊕ Introduced the Employee Assistance Plan (EAP) with a series of long-term welfare and physical and mental health support projects for employees, including an employee mental healthcare platform, survey on the needs of mental health service of employees, psychological consultations, health management and other services;
	⊕ Organized health related seminars, provided free clinics and various specialized trainings from time to time every year.
Care for employees' relatives	⊕ Provided a full range of commercial insurance benefits for all employees and their immediate family members;
	⊕ Coordinate medical green channels for employees and their families who are severely ill;
	⊕ Geely Kindergarten was established to help employees with their children's enrollment and pick-up.
Customized care	⊕ Condolences to employees in need: provide financial assistance to employees in difficulties;
	⊕ Care for overseas employees: regularly communicate with expatriate employees and their families;
	⊕ Caring for female employees: help female employees solve special difficulties in life;
	⊕ Caring for employees in special type of work: provide late-night snack to security personnel and provide high-temperature subsidy to front-line personnel.

During the Reporting Period, we carried out various cultural and sports activities such as sports day, Spring Festival Gala, singing competitions, and table tennis games to balance employees' work and life, increase employees' sense of belonging, and create a warm and united working environment. Meanwhile, we continue to improve the welfare system, optimize the online welfare platform, provide direct delivery of welfare to home, and provide employees with diversified choices of quarterly welfare, holiday welfare, and birthday welfare.



Organizing a variety of cultural and sports activities to care for employees' physical and mental health

In 2023, various activities were carried out to enrich employees' life outside of work, such as celebrating the Lantern Festival, Mid-Autumn Festival and Dragon Boat Festival, organizing employee commendation conferences, family day, and roast shows.

Organizing summer nursery classes for employees' children to support parents

Starting from 2015, summer nursery classes for kindergarten children have been held for 9 consecutive years. In 2023, the labor union comprehensively considered various factors such as safety and standardization of child care, contacted the local education bureau, and communicated the program matters in advance.

8.5 Employee Training and Development

Employees are the foundation of corporate development. The Group attaches great importance to employee training and development and is committed to cultivating talents sustainably. By carrying out comprehensive talent training programs, we enhance the skills of employees and thus foster career development, and help employees adapt to new technologies and changes in mode of operation, thereby achieving a just transition to new energy, intelligence and digitalization together with the Group.

8.5.1 Employee Training

The Group provides all employees (including official employees, part-time or temporary employees, etc.) with diverse occupational development opportunity. The Group launched a series of talent training programs, provided a platform for the diversified development of employees, and encouraged employees' enthusiasm and creativity, helped increase sense of achievement of employees, and enhanced the Group's competitiveness in just transition.

The Group has formulated relevant training management policies, such as the Management Regulations on New Recruit Onboarding Training, Management Control Procedures on Training, Management Measures on Talent Reserve, Management Measures on Talent Rotation, etc. to clarify the training process and establish a talent training system that adapts to business development. The Group provides trainings on professional skills according to the characteristics of the position and business needs, in order to build a talent reserve in the science and technology field. Meanwhile, the Group conducts satisfaction surveys during employee training and adjusts the training contents in a timely manner to improve the quality of training.

The Group provides employees with three development channels: management channel, professional channel and skill channel, provides longitudinal promotion channel for management cadres, professional talents and skilled talents, and builds a horizontal career development path through high-potential talent pool, job competition, job rotations and others. The Group focuses on the comprehensive cultivation of talents and offers different training programs for employees to promote their comprehensive development in theoretical knowledge, professional and general skills, and leadership capabilities.

New recruits training	On-the-job employee training	Senior personnel training
<div><div>+</div><div>New recruits: Programs including the "Dream Chaser" and "Dayan Training Project" were designed to help employees understand corporate culture and organizational structure;</div></div> <div><div>+</div><div>Newly promoted cadres: completed the "Turnaround Program" role transformation training during the observation period;</div></div> <div><div>+</div><div>Newly transferred professional and technical personnel: completed skills training before taking up their duty independently.</div></div>	<div><div>+</div><div>9 seminars by industry experts were organized for all employees, covering topics such as digital mobility, new energy, digitization, and finance;</div></div> <div><div>+</div><div>Qualification assessment: carried out employee job qualification assessment;</div></div> <div><div>+</div><div>Thematic monthly activities: carried out theme monthly activities such as "Fire Hazard Month" , "Safety Month" , "Compliance Month" , etc.</div></div>	<div><div>+</div><div>Compulsory courses for cadres: based on the requirements of the Group's strategic transformation, the compulsory courses for cadres were developed around leadership, operational capabilities, and professional capabilities;</div></div> <div><div>+</div><div>Cadre business ability training: A series of training programs were carried out for new cadres, high-potential cadres, and on-the-job cadres, covering business capabilities, resource synergy, operational capabilities, innovative thinking, global export, marketing, supply chain management, etc.;</div></div> <div><div>+</div><div>Training for key talents: "X-Team" program has been carried out, focusing on the industry frontiers and key businesses.</div></div>

Meanwhile, we developed the "Vitality Scheme", an internal recruitment project, and developed the specific releasing channel of internal recruitment information to effectively increase the efficiency of talent circulation within the organization, thereby realizing diversified career development paths across fields and professions, satisfying employees' need for personal growth and value pursuit.



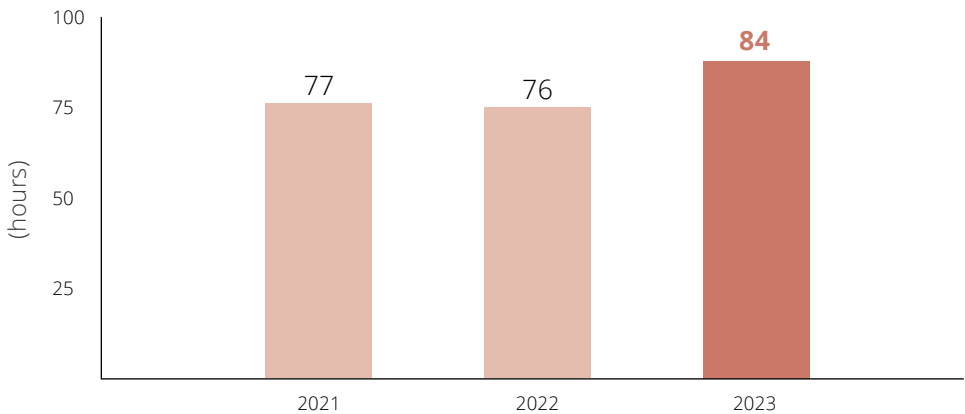
In 2023:
Employee training satisfaction score was 84 points



In 2023:
The coverage rate of employee training reached **100 %**, and the average training hours of each employee reached **84 hours**
The total training investment amounted to **RMB65.29** million, with an average training expense of **RMB1,083** per employee.

In 2023, Geely promoted more than **4,300 people** internally and more than **1,200 people** realized the In-house Energizer Program during the year.

Average training hours per employee



8.5.2 Just Transition

Geely Auto released the “Two Blue Geely Action Plans” in 2021, clearly planning to promote the balanced development of energy-saving, low-carbon and zero-emission products. In the process of transitioning to NEVs, Geely Auto fully considers the interests of employees related to the fossil fuel vehicle business and provides transition training and employment opportunities in NEV business. Meanwhile, in order to adapt to the wave of development of new energy intelligent vehicles and the technological changes brought about by the “Four New Modernizations” in the automotive industry, we continued to carry out the “Four Modernizations and One New” talent training mechanism in 2023 to provide strong support for the development of the Group’s human resources strategy.



In 2023
Geely Automobile Academy conducted courses related to new energy transformation. The number of people receiving electrification training accounted for **49% of the total number of employees**, and the **cumulative training hours exceeded 1.7 million hours**.

Provided guidance and training support for employees in the process of digital transformation, especially for digital product managers and intelligent manufacturing employees, with a total of **119,030 hours of digital-related training** throughout the year.

“Four Modernizations and One New” talent training mechanism:

New four modernizations talents	Recruit “big camphor tree” talents in areas such as ADAS and intelligent cockpit; Recruit management trainees in colleges and universities, especially high caliber young talents who meet the development needs; Cultivate on-the-job personnel and transfer high-potential talents with knowledge from the hardware team to the software team. Key Performance In 2023, Geely’s New Four Modernizations talents accounted for approximately 40%
International talents	Cultivate talents with global vision and cross-cultural communication skills in R&D, marketing, supply chain, support and security; carry out dedicated programs in professional areas such as internationalization and technology, and send trainees to key positions to gain experience in order to achieve two-way empowerment of individuals and organizations. Key Performance In 2023, a total of 26 talents were trained and successfully joined the international team, covering 11 core overseas markets around the world, and the international talent transformation rate was 100%
Young talents	In the fields of ADAS, cockpit, product R&D and marketing, the Group increases the reserve of young cadres. While enhancing the cohesion of the team, it integrates elements favored by young people into product functions and marketing areas. Key Performance In 2023, the proportion of younger cadres increased by 2%
Digital talents	Introduce educational resources in digital transformation, organizational innovation, and business change to improve employees’ digital competency; The Group has established the Human-Robot Collaboration Skill Master Studio and organized the first internal competition. It also provides intelligent manufacturing training to employees in technical positions across all manufacturing plants. Key Performance Established a digital talent growth record for marketing and a resource library for digital marketing specialists. Based on this, a total of 4 expert training courses, 4 collaborative projects on specialized topics, 2 product launch events, 2 digital product collaborative review conferences, and 1 online mandatory professional course were conducted
One new (new culture)	Build a management team with business, operational and leadership capabilities; Cultivate a team of employees who take on responsibilities, create value for users, collaborate efficiently, and embrace change.

The Group respects the diverse capabilities of our employees and actively establish a talent development platform in conjunction with talent development programs. Additionally, the Group has implemented a regular tracking and evaluation feedback mechanism for career development, ensuring comprehensive follow-up on employees’ career paths and providing equal opportunities for their growth.

8.5.3 Employee Qualification Enhancement

We value the growth of our employees, support and encourage them to pursue higher academic qualifications, obtain professional credentials or title evaluations while working with us. We foster a learning-driven environment by motivating and empowering employees to continuously enhance their skills and knowledge. We strive to create a solid foundation for talent development, enhance the overall competence of our employees, and promote the continuous progress and development of both the enterprise and individuals.

Supporting employees' continuing education and qualification enhancement

We have established a comprehensive system for cultivating high-skilled talent, which integrates academic advancement, vocational skills levels, and professional title certifications. Through active collaborations with renowned domestic and international colleges, we aim to nurture a highly skilled workforce, including technicians and managers, who are capable of meeting the requirements of industrial transformation and aligning with our strategic development goals. We conduct regular assessments and reviews of occupational levels and organize events such as the selection of "Craftsmen" and skill competitions to foster the development of skilled workers. In addition, we provide incentives and rewards to employees who achieve academic advancement and enhance their vocational skills.

Geely Holding Group continues to promote the upgrading of Geely's internal degree qualifications (non-Ministry of Education-recognized degree qualifications)

Cumulative as of the end of 2023,
1,804 postgraduate students have been recruited
39 postdoctoral students have been recruited
Postdoctoral research projects conducted: **52**

Holding the senior engineer title in the automotive industry: **514**
Holding the title of associate researcher: **21**
Admission of technical graduate students: **222**
Top ten craftsmen in previous sessions: **49**

8.6 Occupational Health and Safety

The Group is committed to building a health-oriented enterprise, actively implements safety laws and regulations, strictly adheres to health and safety management system standards, improves the safety management system, prioritizes on-site safety control, strengthens monitoring of occupational hazards and conducts occupational health examinations to ensure the occupational health and safety of employees.

8.6.1 Management Structure

Work Safety Committee

As the highest management organization of work safety, the Work Safety Committee set up a labour union and has employee representatives for communication and negotiation regarding occupational health and safety matters and was responsible for overall planning and decision-making related work of work safety management.

Group Level - Safety and Environmental Protection Department

The Safety and Environmental Protection Department is responsible for coordinating and collaborating with subsidiary companies in occupational health and safety management. This includes setting and assessing performance indicators, conducting daily operational supervision and evaluation, and providing procedural standards and systems;

Set up the Environmental and Safety Department, which is responsible for occupational health, safety, and environmental protection, as well as the Security Department, which oversees fire safety, traffic safety, and security. Each of these departments has dedicated professionals and module leaders in various business areas related to occupational health and safety.

Subsidiary - Safety and Environmental Protection Department

Each subsidiary has its own safety and environmental protection management department, which holds regular meetings to communicate and assess the progress of safety and environmental initiatives with other departments. These departments are responsible for implementing and advancing occupational health and safety measures within the Group;

Each subsidiary has dedicated safety production management personnel who are responsible for the implementation of safety production work. Safety management organizations are established at various levels, with each level taking responsibility for coordinating and conducting safety production work. The leaders at the base and the responsible leaders are fully committed to promoting and implementing safety and environmental management measures within both the Group and the plants, thereby enhancing safety and environmental leadership.

The Group has established a Health, Safety and Environment (HSE) management system to conduct HSE information system monitoring of safety hazards, safety inspection, daily safety production training and early warning index. Every two years, the Group updates the HSE management system and refines the work management processes. Besides, the Group carries out special activities to enhance senior management's leadership in safety and environmental management, further upgrading and improving HSE management standards and requirements. Meanwhile, the Group actively promotes the use of HSE information system, conducts retrospective inspections and continuously optimizes the user experience to enhance management efficiency. During the Reporting Period, 100% of the Group's vehicle plants and the OEM vehicle plants of the Group have received ISO 45001 Occupational Health and Safety Management System certification.

The Group plans to have 100% of its plants completing the first-level and second-level certification of safety production standardization by 2025.

8.6.2 Safety Management

We attach great importance to production safety. To systematically prevent and reduce safety accidents, we strengthen the important risk management and control mechanism, enhance production safety management, prevent safety risks, conduct thorough inspections and rectify hidden dangers, improve safety prevention measures, organize emergency drills and safety education-related training. During the Reporting Period, there were no fatalities due to work-related injuries at any manufacturing plant.

Enhancing the level of intelligent management of production safety

HSE management system has been applied to vehicle manufacturing plants and powertrain manufacturing plants. The system covers indicators such as safety (rate of safety hazard rectification), environmental protection, occupational health (pre-employment, during employment, and post-employment medical examination rates). During the Reporting Period, the HSE management system was fully implemented with a utilization rate of 100%.

Conducting safety training and emergency drills

The Group planned and conducted safety trainings during the Reporting Period. During the Reporting Period, 4 safety trainings were organized on topics such as "Safety Control Systems and Interlocking Protection Devices", "Energy Isolation and Plate Lock" and "Explosion-proof Electrical Equipment". Safety, electrical, and equipment engineers from various plants attended training sessions, with a cumulative total of 600 participants. The Safety Operating Procedures guideline has been developed and implemented in various manufacturing plants, integrating various on-site operating procedures to continuously improve the safety management and control mechanism. Specialized training activities and emergency drills were organized to comprehensively enhance employees' abilities to recognize and control safety risks and rectify hidden dangers.

Establishing professional safety teams

Mechanical safety, electrical safety and thermal and explosive safety teams were established, which include 22 safety, equipment, and electrical engineers, to strengthen the safety production front line. During the Reporting Period, the Group organized 7 technical standard seminars, developed 7 technical standards and regulations, provided on-site support to 6 plants, and offered technical support for 9 technical improvement projects.

Safety risk investigations

Special investigations were carried out on new energy safety, and explosion-proof electrical equipment for each subsidiary. Among them, the rectification rate for 276 explosion-proof electrical equipment issues was 91%; the rectification rate for 95 new energy inspection issues was 97%. Additionally, in collaboration with the Quality and ME departments, the Group conducted joint safety inspections at 15 vehicle plants, identifying and rectifying a total of 1,144 issues, with a rectification rate of 95%.

Security control

In response to potential safety hazards and accidents, the Group adopted the ISO 45001 Occupational Health and Safety Management System for safety management, set accident indicators in accordance with national standards, and tracked accidents at each plant every month to ensure closed-loop handling of accidents. Accident indicators were verified during third-party audits (safety production standardization audits, ISO 45001 system audits).

Safety performance evaluation

Based on the HSE evaluation standards, the Group conducts a comprehensive HSE evaluation of all vehicle plants every six months. The evaluation indicators cover accidents, occupational diseases, environment, etc., and their HSE system are rated. During the Reporting Period, the target of all plants reaching level B has been achieved (need to obtain ISO 14001 and ISO 45001 certifications, with a score ≥ 800).



The Group has achieved the safety targets for 2023:
Fatal accident rate: ≤ 0.026‰
Serious injury accident rate: ≤ 0.15‰
Rate of traffic accidents with damages of RMB5,000 and above:
0.1 case/10,000 units
Rate of fire accidents with losses of RMB5,000 or more: 0.04‰

Work Safety Key Performance

	2021	2022	2023
Number of safety accidents (number)	22	19	40
Number of work-related fatalities (person)	0	0	0
Fatality rate per million working hours (‰)	0	0	0
Lost days due to work injuries (days)	786	887	1,652
Rate of severe injuries (‰)	0.056	0.020	0.017
Rate of minor injuries (‰)	0.31	0.37	0.65
Number of occupational disease cases (number)	0	0	0
Rate of occupational diseases (‰)	0	0	0
Rate of work-related injury (‰)	0.36	0.39	0.66
Rate of absenteeism (‰)	0.056	0.072	0.110
Financial loss caused by accident (RMB10,000)	32.51	56.95	31.48
Loss time injury rate (LTIR) per 200,000 working hours	0.05	0.04	0.07

The Group attaches great importance to the recording and investigation of all safety accidents and problems. Through the implementation of rewards and punishments, as well as improvement measures, efforts are made to reduce and, as much as possible, eliminate the recurrence of similar accidents.

8.6.3 Occupational Health Management

The Group abides by the relevant laws and regulations in the places where it operates, comprehensively strengthens the work of occupational disease prevention and control and health management for employees. The Group provides employees with free annual occupational health examinations, takes various measures to protect the physical and mental health of employees, and provides health services to employees. We also attach great importance to providing occupational health and safety training to all employees. During the Reporting Period, the proportion of employees receiving occupational health and safety training reached 100%, with a total of 1,338,314 hours.

In 2023, we implemented all occupational disease prevention and control projects including those required by laws and regulations. Comprehensive risk assessments were conducted at all vehicle manufacturing plants and powertrain manufacturing plants, as well as monitoring the levels of occupational disease hazards in production sites. As of 2023, the performance of occupational disease risk assessment results improved from 0 to 8 Class A units (Class A being the highest grade).

We provide free occupational health examinations for employees exposed to occupational disease hazards every year. We have established a complete employee occupational health management system and occupational health examination procedures, implementing the requirement of “one file per person” for occupational health. Additionally, we conduct occupational disease analysis on the physical examination data of employees during and when leaving the job, continuously improving and standardizing measures related to occupational disease prevention and control.

Six Measures for Occupational Disease Prevention and Treatment:

Occupational health inspection and evaluation	⊕ Regularly carry out annual identification of occupational disease hazards on site and quarterly regular monitoring to monitor the occupational disease hazard exposure level on the job site.
Occupational health surveillance of employees	⊕ Carry out occupational health examinations before, during and when leaving the post, establish personal files of occupational health, and implement comprehensive traceability management.
Management of labor protection articles	⊕ Provide a full set of protective equipment for all front-line employees free of charge, and ensure the quality and comfort of protection articles to prevent work injury, occupational diseases and occupational accidents.
Improve the working environment	⊕ Vigorously carry out the production process reform, such as adopting water-based paint instead of oil-based paint, automatically spraying by robots, closed stamping line, etc. to reduce the risk of occupational disease hazards in the working site.
Conduct occupational health training	⊕ Carry out pre-job occupational health trainings and assessments, and organize regular occupational health trainings and examinations for all employees.
Special inspection of occupational health	⊕ Regularly carry out special inspections on occupational health files, wearing of labor protection articles, operation and maintenance of occupational disease protection facilities, etc.



Organizing precise identification of occupational disease hazards at vehicle manufacturing plants

In 2023, Geely Auto organized precise identification of occupational disease hazards at its vehicle manufacturing plants. The hazards associated with various equipment, processes, and materials were thoroughly examined, and lists were developed for each unit, as well as for positions and personnel exposed to these hazards. As a result of this precise identification, the number of major occupational disease hazards was reduced from 48 to 25 (a decrease of 48%), and the number of individuals with significant exposure to these hazards decreased from 1,966 to 330 (a decrease of 83%).

Paying attention to employees' mental health and providing diverse psychological counseling services

In 2023, Geely Auto conducted multiple special lectures on employee mental health, targeting employees at different levels, to help employees channel negative emotions. Topics included "Identification and Coping with Common Abnormal Emotions Among Enterprise Employees" and "Discovering a Better Self - Self-awareness and Improvement".

“Geely Health” prioritizes the physical and mental well-being of employees and offers professional health management services

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Establishment of multiple internal health stations

- ⊕ Set up offline health stations with three primary functional areas: health consultation, massage therapy, and psychological relaxation
- ⊕ Address employees' daily health concerns, providing them with professional health guidance and medical assistance whenever needed

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Development of a digital platform for enterprise employee health management services

- ⊕ Develop a digital health management platform
- ⊕ Offer online comprehensive health services, including health examinations, health consultations, intelligent psychology, and health education

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Provide employees with free health examinations and health management services

- ⊕ Provide employees with the benefit of a free annual health examination
- ⊕ Coordinate medical resources and provide a green channel for medical treatment for employees with serious illnesses

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Offer free EAP (Employee Assistance Program) psychological counseling services

- ⊕ Establish an online service platform and offline psychological health corner to provide systematic and long-term psychological health services to employees

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Conduct professional health education and care activities

- ⊕ Regularly organize online health education and offline health lectures
- ⊕ Promote scientific health knowledge and enhance employees' health awareness. Conduct regular first-aid training to cultivate certified first aid personnel

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Enhance health management for managers/core talents

- ⊕ Provide customized and personalized health management programs for employees facing high pressure such as management and key personnel

9

Material Issues

- ⊗ Social welfare and charity



Community and Philanthropy

Eco-friendliness

- ⊕ “Blue Guardian”, a global public welfare project, recycled **nearly 10 tons of marine debris**, with **over 3,000 volunteers** across the country

High-quality and Fair Education

- ⊕ The “Dream Green Running Tracks” rural youth sports dream program has been carried out for **10 consecutive years**
- ⊕ The “Dream Green Running Tracks” benefits **over 100 rural school**, and **over 40,000 rural students**

Emergency Relief

- ⊕ Donated emergency relief supplies worth **RMB10 million** to earthquake-stricken areas in Gansu and Qinghai, supporting post-disaster reconstruction

Helping the Disadvantaged

- ⊕ **Promoted inclusion** of disabled individuals in mobility and society through events introducing intelligent and safe features of vehicles to the deaf

Cultural Promotion

- ⊕ **Actively promoted** the dissemination and exchange of cultural arts, and continued to provide sponsorship to the Hong Kong Philharmonic Orchestra

Community Development

- ⊕ **2,556 employees** participated in community volunteer activities, with **13,643 activity hours**

Rural Revitalization

- ⊕ Care for **600 leftbehind children** in mountainous areas

ESG Strategy: Co-Prosperity



The Group shares the social responsibility ideal and system of Geely Holding Group, and participate in relevant public welfare activities sponsored by it and is a practitioner of “long-termism” for social welfare. We leverage our resources to drive employees, business partners, consumers and collaborators to participate in public welfare activities, embodying our philanthropic value of “Let the world experience love”. We focus on the three major areas of “Eco-friendliness”, “Quality and fair education” and “Rural revitalization”, while addressing the two major public welfare issues of “Emergency disaster relief” and “Assistance to the disadvantaged”. We continuously explore sustainable welfare and develop a charity system, and rely on our expertise and technological capabilities to create more sustainable value for society.



We visit relevant government departments, local communities, charitable organizations and disadvantaged communities monthly to understand social needs, and plan our philanthropic activities accordingly to optimize our public welfare resources. We also promote our philanthropic ideal to customers, employees, suppliers and dealers, and encourage them to actively participate in our philanthropic activities. In order to listen to appeals and disseminate our philanthropic value, publish the latest progress of our public welfare activities on our official website, blogs, social media platforms, etc., and collect opinions from our stakeholders via these channels. We incorporate the opinions of stakeholders into the ESG strategy formulation process, review the philanthropic areas and issues we focus on, and the progress of project implementation, and formulate improvement plans.

Combined with the Group’s ESG strategy and the opinions of various stakeholders, we carried out public welfare activities in 2023 focusing on ecological friendly, high-quality and fair education, emergency relief, helping the disadvantaged, cultural promotion, community development and rural revitalization.

Through continuous philanthropic activities, Geely Auto won the following honors and recognition in 2023:

Award Name	Awarding Organization
2023 Best Responsible Enterprise Brand	7th session of CSR China Education Award

9.1 Eco-friendliness

A good ecological environment is the basic prerequisite for human survival and development. The Group's own operations are oriented towards "Nature Positive", while leveraging its own resources and technological advantages to drive various stakeholders to participate in ecological protection actions and jointly contribute to biodiversity and environmental conservation.

9.1.1 Marine Ecological Protection

The ocean is one of the environments essential for human survival. The ocean is closely interconnected with land, the Earth's ecosystem, and biodiversity. The natural marine ecosystem is also a crucial support for human sustainable development. Due to the increasing demand for marine resources and the excessive discharge of marine debris, the marine ecosystem is seriously threatened. While progressing towards technological innovation and sustainable development, the Group is committed to protecting the marine ecological environment.

In 2021, ZEEKR and Geely Holding Group jointly launched the "Blue Guardian", a global marine protection charity project, and successively organized volunteers from various industries to continue to protect the ocean in different ways. In 2022, Geely Holding Group protect the marine environment by leveraging the satellite technology of Geespace of Geely Technology Group. The No. 1-6 satellites of "ZEEKR X Geespace·Blue Guardian" were successfully launched at the Xichang Satellite Launch Center. Through high-performance AI remote sensing satellite, marine environment detection is realized, such as monitoring marine debris, oil spills and other marine accidents, early warning of the spread of marine red tide, enteromorpha spp. and other harmful organisms, providing disaster warning and ecological protection for the operation of coastal fisheries, and helping to improve the marine ecology and environment.



As of 2023, a total of **10 tons of marine debris** has been recycled through the "Blue Guardian" global public welfare project. **Over 3,000 volunteers** have participated nationwide.



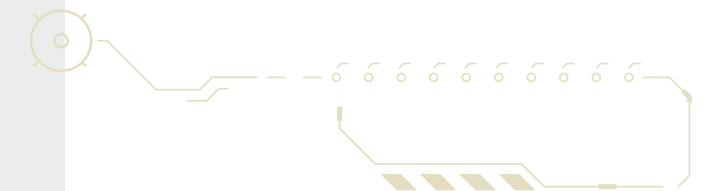
"Return of the Blue" won the Excellence Award at the 2023 China International Philanthropic Movie Festival

ZEEKR adheres to the brand values of "equality, diversity and sustainability", constantly innovates technology to protect the marine ecology, and works with parties such as green groups, ZEEKR users, and volunteers from colleges, general public and fishermen to carry out marine protection work. As of 2023, more than 3,000 volunteers across the country have participated in the "Blue Guardian Marine Protection Project" to practice coastal environmental protection in different ways.

On 16 September 2023, at the "2023 China International Philanthropic Movie Festival Award Ceremony", the documentary of "ZEEKR × China Environmental Protection Foundation Blue Guardian" - "Return of the Blue", jointly initiated by the China Environmental Protection Foundation and ZEEKR, won the "Excellence Award in the Philanthropy Category" of the festival.

Volunteers gathered to protect the shoreline

Xingyue L series under the Geely brand founded the "Guardian of the Sea" project in 2020, and collaborates with the car club and public welfare organizations to carry out activities every month. As of 2023, the Xingyue L and the car club have organized beach cleaning activities and have conducted 16 volunteer trainings on marine protection actions and waste sorting. A total of 2,224 volunteers participated in 44 coastal clean-up activities, cleaned up the shoreline of 25,000 m, covering an area of more than 741,000 square meters, and a total of 41,200 pieces of marine debris were picked up, weighing 1,510 kg.



9.1.2 Animal Protection

Geely Auto attaches great importance to biodiversity and promotes the protection of endangered species in China's forest ecosystem with practical actions to committed to contributing to the protection of "national treasure" giant pandas.



Geely Auto launches giant panda protection plan and adopts giant panda "Ji Fu"

On 6 February 2023, Geely Auto launched the Panda Mini, it launched a public welfare cooperation project with the Li Shufu Charity Foundation and the China Conservation and Research Center for Giant Panda, and held a charity donation ceremony of giant panda at the Dujiangyan Panda Park and the adoption ceremony of panda cub "Ji Fu". Geely Auto will also launch a giant panda protection plan: for every new Panda Mini user, Geely Auto will cooperate with the Li Shufu Charity Foundation to provide a RMB 10 panda fund to the China Conservation and Research Center for Giant Panda. At the same time, Geely Auto launched an online naming campaign for the panda cub "Ji Fu", led more people to participate in the team caring for giant pandas and nature.



9.1.3 Green Ecological Protection

Geely Auto adheres to the concept of green development and cares deeply about the nature. We work with employees and users to promote green ecological civilization.

Z-Green joins hands with users to participate in the "Carbon Emission Reduction Action", carry out planting trees and protect ecological civilization

Since its establishment, ZEEKR has deeply integrated green consciousness into its brand concept.

In June 2022, ZEEKR APP will be launched in the Z-Green community, and through gamification design, users will be encouraged to open personal accounts.

On 11 March 2023, the Z-Green community joined hands with users to carry out tree planting activities in 16 cities across the country. While users experienced the fun of planting saplings, they used practical actions to green our planet earth and contributed to the increase in carbon sequestration throughout the region.

By the end of 2023, the number of users participating in the "Carbon Emission Reduction Action" has reached **358,649**. By practicing low-carbon travel (long-distance driving of new energy vehicles or short-distance walking), the accumulated carbon emission reduction can reach **111,012 tCO₂e**, which is equivalent to the amount of carbon dioxide absorbed by 24.74 million Mongolian scots pine in one year. In the future, ZEEKR will continue to let more people experience and join Z-Green low-carbon environmental protection activities, while improving user experience and recognition.

9.2 High-quality and Fair Education

Following Geely Holding Group, The Group continue to pay attention to the growth and potential development of rural teenagers. We have carried out the "Dream Green Running Tracks" project for 10 consecutive years and covers rural schools and students in Inner Mongolia Autonomous Region, Yunnan Province, Shanxi Province, Gansu Province, Zhejiang Province, Shaanxi Province, Guizhou Province, Ningxia Hui Autonomous Region, Hubei Province, Guangdong Province, Hebei Province, Sichuan Province.



By the end of 2023 The "Dream Green Running Tracks" project have entered **100 rural schools** to improve on their software and hardware and promote equity in high-quality education, benefiting **more than 40,000 rural students**.





“Dream Green Running Tracks” 10th Anniversary, the public welfare action to realize the dreams of the Asian Games for teenagers

In 2023, Geely “Dream Green Running Tracks” joined hands with the Hangzhou Asian Games to seek for 2022 public welfare actions to realize the dreams of the Asian Games, and invited student representatives from the Asian Games Dream Football School in Guangyuan Mountain to participate in the “Asian Games Fun Run” held in Singapore. On the occasion of the Hangzhou Asian Games, 33 members of the “Dream Youth League” were invited to record the Asian Games song, watch the Asian Games competition, and participate in popular science classes, bringing the charm of sports and technology to teenagers in remote areas.

Lynk & Co’s “Yi Learning Programming Action”

Geely “Dream Green Running Tracks” X Lynk & Co’s “Yi Learning Programming Action” was jointly launched by Lynk & Co, China Internet Development Foundation, Zhongke Innovation Education, Codemao and other organizations in 2021 to promote the in-depth application of new technologies such as big data, virtual reality and artificial intelligence in education, strengthen the innovative education and research learning of students in underdeveloped areas, promote the balanced development of education, and build a bridge for children in rural and underdeveloped areas to access the field of smart vehicles and participate in the construction of digital villages.

On 31 March 2023, Geely Dream Green Runway Tracks X Lynk & Co programming competition was successfully held at the Experimental Primary School in Zhaohua District, Guangyuan City, with the help of the 2023 East-West Collaboration. The Lynk & Co charity team donated a drone, a programming car and 2 sets of programming car tracks to 7 participating schools respectively, with a total value of more than RMB50,000.



“Yi Learning Programming Action” provided programming education for **1,000 youths** in underdeveloped areas

9.3 Emergency Relief

We always insist on giving back to the society with love, paying attention to social needs, continuously delivering warmth, constantly expanding assistance channels, serving people’s needs, solving practical difficulties, and striving to realize “Love Geely, You and Me”.

We deeply understand the needs of society, continue to pay attention to disaster relief and assistance, carry out various forms of emergency rescue actions, and actively participate in the emergency disaster relief activities organized by the “Li Shufu Charity Foundation”, continue to pay attention to the rescue situation, and work together with local communities and residents to overcome difficulties.

Supporting earthquake mountainous areas in Gansu and Qinghai

On 18 December 2023, a 6.2-magnitude earthquake occurred in Jishishan County, Linxia Prefecture, Gansu Province, causing heavy casualties in Gansu and Qinghai regions. The cold winter disaster has affected the hearts of people across the country. The Li Shufu Charity Foundation, together with multiple brands under Geely Holding Group (including Geely brand, ZEEKR, Lynk & Co, etc.), donated a total of RMB 10 million to the Red Cross Society of Gansu and Qinghai Provinces for the procurement of emergency relief materials and supporting post-disaster reconstruction in the earthquake-stricken areas of Gansu and Qinghai.



Working together to help flood control and disaster relief

In July 2023, Typhoon Doksuri caused a heavy rainstorm, resulting in severe flooding and secondary geological disasters in the Beijing-Tianjin-Hebei area. The Changping campus of Peking University was severely affected. The Li Shufu Charity Foundation joined hands with multiple brands under Geely Holding Group (including Geely brand, ZEEKR, Lynk & Co, etc.) to donate a total of RMB50 million to the Peking University Education Foundation to support the post-disaster construction of the Changping Campus of Peking University and actively provide assistance to Peking University students in the disaster area.

9.4 Helping the Disadvantaged

We pay attention to disadvantaged groups and strengthen care and protection for them through medical assistance, cultural construction and other funding projects, to contribute to social development.

Geely Auto's showcase of automotive to the deaf on the International Day for Persons with Disabilities

Geely Auto is committed to considering the safe travel of disabled in terms of active and passive safety of vehicles. On the International Day for Persons with Disabilities on 3 December 2023, Geely Auto participated in the "Haolun Assistance for the Disabled, Deaf and Abled-bodied Integration, Creating a Better Life" automotive showcase jointly organized by Shenyang Voluntary Service Association for Disabled Persons, Shenyang Haolun Automobile Group, and the Disabled Entrepreneurship and Employment Incubation Base in Shenhe District, Shenyang City, Liaoning Province. By introducing the basic knowledge of automobiles and the information of various brand models of the Group in terms of intelligence and safety configuration, we helped the deaf understand better of automobiles, allowing them to experience the convenience of travel and promoting their integration into society.

9.5 Cultural Dissemination

The Group pays attention to the development of the community, advocates the integration of corporate development into the community, actively promotes the dissemination and exchange of culture and art with practical actions, and contributes to building a better and harmonious community environment.

In 2023, we continued to provide sponsorship to the Hong Kong Philharmonic Orchestra. As a Pearl Member of the Hong Kong Philharmonic Masters Association, we support the integration of music and art into the lives of local citizens.



Supporting the Hong Kong Science Park pop-up orchestral performance

On 24 June 2023, the "Celebrating and Creating the Future Together—Hong Kong Science Park Pop-up Orchestral Performance" event hosted by the Hua Jing Society and the Hong Kong Youth Symphonic Orchestra Charity, and kindly sponsored by Geely Auto, was successfully held at the Hong Kong Science Park. Through this concert, we will convey the importance of young people to the future development of Hong Kong and inspire more young people to love music, life and technology.



9.6 Community Development

The Group has always conveyed love and warmth to the society and continued to give back to the society with practical actions. We advocate integrating corporate development into the community, supporting and encouraging employees to actively participate in community construction and public welfare volunteer services. At the same time, we work with users to serve the society and strive to establish open, sincere and harmonious relationships with local communities.

The Group fulfills the following commitments in terms of community contribution:

- ⊕ Comply with the local laws and regulations, respect the local culture, and strive to achieve a diversified win-win situation;
- ⊕ Constantly enhance communication with local communities, promote the understanding and support for the Group's business development and business activities;
- ⊕ Actively create employment opportunities in communities, carry out vocational education to enhance the employability of community residents, and contribute to the local industrial talent cultivation;
- ⊕ Timely communicate and feedback on the matters that the Group has actual or potential impacts on the communities (public events, potential crisis events, etc.).



In 2023, the Group organized **2,556 employees** to participate in community services and various volunteer activities for a total of **13,643 hours** of activity.

9.6.1 Employee Participation

The Group adhere to our original intention of giving back to society, uphold the spirit of “Kindness and Goodwill”, encourage and support employees to participate in voluntary services, and support the development of a harmonious society.

On 16 September 2023, we participated in the 13th Voluntary Blood Donation Day organized by Geely Holding Group. A total of 128 people participated, 87 people successfully donated blood, and the total blood donation volume reached 27,400 mL. Since its launch in 2011, a total of 1,167 people have participated in the voluntary blood donation activity, and the cumulative blood donation volume has reached 331,680 mL.

9.6.2 User Participation

The Group join hands with caring users to convey warmth and happiness to more people in the society with practical actions, and realize the value proposition of “Greatness through Happiness”. The powerful and warm move not only resonates with the Group and our users, but also strengthens the connection between us.

Established Lynk & Co Volunteer Group to carry out charity activities

The establishment of the Lynk & Co Volunteer Group relies on nationwide Lynk & Co Club and its charity activity platform. This project aims to allow every car owner to enjoy driving while also bringing warmth and care to society. Volunteers actively participate in various charity activities such as environmental protection actions, caring for left-behind children, and elderly care services.



“We+” charity program, Geely Auto writes a chapter of empathy with caring users

In June 2023, the Geely user brand “We-G Family” launched a charity market, publicly collected idle goods from car owners and all employees. All proceeds were donated to “Aiyu Charity Foundation”, a medical assistance project for seriously ill children. This activity not only provided aids for children with serious illnesses from disadvantaged families, but also called on more people to pay attention to them.

Join hands with Lynk & Co car owners to participate in emergency rescue operations

Since April 2023, Lynk & Co and its volunteer council have launched an emergency first aid training program, and carried out 7 special training sessions nationwide to popularize emergency first aid knowledge and skills. More than 500 car owners have obtained the emergency rescue certificate issued by the Red Cross, and near 50 car owners have equipped with automated external defibrillators (AED) on their vehicles.

9.6.3 Safeguarding the Green Asian Games

The Group actively participated in the guarantee services of the 19th Hangzhou Asian Games with practical actions. Through technology, products and services, we demonstrated the image of China, the style of Hangzhou and Geely's responsibility.



The Group brings its brands to build Asian Games service fleet

In 2023, the Group delivered smart premium cars covering its Geely, Lynk & Co, ZEEKR, Galaxy and other brands as official cars for the Hangzhou Asian Games, providing all-round guarantee for smart travel and services for the Hangzhou Asian Games. Among them, Geely Galaxy L7 was the support and service vehicle for the Hangzhou Asian Games torch relay, Lynk & Co 01 was the official designated vehicle for the Olympic Council of Asia, and ZEEKR 009 was the designated vehicle for reception of national guests, fire collection vehicle, and torch relay command vehicle.



The Geely Holding Group Methanol Asian Games team continued to explore aspects such as green methanol preparation, methanol fuel application, and methanol ecosystem construction, and lit up the Hangzhou Green Asian Games with practical actions and results.

Green zero-carbon methanol lit up the main torch at the Asian Games opening ceremony

Geely Holding Group helped the 19th Hangzhou Asian Games to be the first carbon neutral Asian Games, green methanol recycled from waste is used as the main torch tower fuel, achieving zero emissions within the cycle. The green zero-carbon methanol torch solution was provided with technical solutions and support by Geely Innovation Center. Zero-carbon fuel was all produced in the methanol plant of Geely Anyang.

During the Hangzhou Asian Games, Geely Holding Group completed the zero-carbon methanol main torch support work for the Asian Games and the Paralympic Games with high quality, with a total support time of more than 500 hours, the methanol fuel used of 300 tonnes obtained the carbon neutral certificate issued by the China Environmental United Certification Center (CEC).

9.7 Rural Revitalization

We pay attention to the development of rural areas, make continuous efforts to help rural revitalization, and solidly promote the effectiveness of rural work.

Carried out the "Geely Engine, Chase Dream in Countryside" summer activity to learn about rural life

The Group continues to explore new models of rural revitalization assistance and launched summer rural student programs to empower rural revitalization. In 2023, we invited college students to participate in the "Geely Engine, Chase Dreams in Countryside" summer activity. During the activities, college students gained an in-depth understanding of the actual situation in the rural areas, developed a deep awareness of the power and significance of rural revitalization, and the positive role of college students in rural development.

At the same time, we pay attention to the left-behind children in mountainous areas and organize activities such as visits to send warmth to them.

Joining hands with car owners to care for left-behind children in mountainous areas

Since 2016, Geely's series of public welfare actions - the "Micro Wishes" activity, has been organizing 2-3 visits to primary schools in mountainous areas every year, together with car owners of the car club, to visit left-behind children. As of 2023, we have helped about 600 children fulfill their "Micro Wishes" and sent a large amount of material and care to left-behind children in impoverished mountainous areas.

Appendix 1

List of Applicable Laws, Regulations and Related Standards

As a Hong Kong-listed company, Geely Auto strictly abides by the “Main Board Listing Rules” of the The Stock Exchange of Hong Kong Limited and the Appendix C2 “Environmental, Social and Governance Reporting Guide”. Geely Auto mainly operates in mainland China. Geely Auto’s operation and management strictly comply with the laws, regulations, standards and rules that have a significant impact on the Group, and also carry out the relevant applicable provisions.

No.	Names of Documents
I. List of laws and regulations applicable to energy conservation and environmental protection	
1.	Convention on Biological Diversity
2.	Law of the People’s Republic of China on Environmental Protection
3.	Law of the People’s Republic of China on Environmental Impact Assessment
4.	Law of the People’s Republic of China on Water and Soil Conservation
5.	Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution
6.	China’ Emission Standard of Automotive Vehicle Pollutants in 6th stage
7.	Technical Specification for Application and Issuance of Pollutant Permit Automotive Industry (HJ971-2018)
8.	Law of the People’s Republic of China on the Prevention and Control of Solid Waste Pollution
9.	Directory of National Hazardous Wastes
10.	Law of the People’s Republic of China on the Prevention and Control of Water Pollution
11.	Law of the People’s Republic of China on the Prevention and Control of Ambient Noise Pollution
12.	Regulation on the Administration of Permitting of Pollutant Discharges
13.	Catalogue of Classified Management of Discharge Permits of Fixed Pollution Sources
14.	Standard for Fugitive Emission of Volatile Organic Compounds
15.	Guide for Assessment on Green Factory of Vehicle Manufacturing in Automobile Industry
16.	Evaluation Requirements for Green Factory
17.	Law of the People’s Republic of China on Conserving Energy
18.	Law of the People’s Republic of China on Promoting Clean Production
19.	Circular Economy Promotion Law of the People’s Republic of China
20.	Renewable Energy Law of People’s Republic of China
21.	Environmental Protection Tax Law of The People’s Republic of China
22.	Energy-Saving Examination Methods for Fixed Assets Investment Projects
23.	Catalogue of Guidance for Some Industries to Eliminate Backward Process Equipment and Products (2010 Edition)
24.	Measures for the Administration of Industrial Energy Conservation
25.	Notice on Strengthening Energy Saving Assessment and Examination of Industrial Fixed Assets Investment Projects
26.	Notice on Further Strengthening the Elimination of Backward Capacity

No.	Names of Documents
27.	Notice on Carrying Out Special Supervision of National Major Industrial Energy Conservation
28.	Decision of the State Council on Strengthening Energy Conservation
29.	Measures for Energy Saving Supervision
30.	Management Measures for Power Saving
31.	Management Measures for Photovoltaic Power Station Development and Construction
32.	Audit Method of Cleaner Production
33.	Administrative Measures for Environmental Protection of Construction Projects
34.	Discharge Standard of Pollutants for Urban Wastewater Treatment Plant
35.	Emission Standard of Pollutants for Electroplating
36.	Integrated Wastewater Discharge Standard
37.	Indirect Discharge for Emission Limitation of Nitrogen and Phosphorus for Industrial Wastewater
38.	Identification Standards for Solid Wastes General rules
39.	Identification Standards for Hazardous Waste General rules
40.	Identification of Major Hazard Installations for Dangerous Chemicals
41.	Graphical Signs for Environmental Protection
42.	Regulations on the Safety Administration of Dangerous Chemicals
43.	Emission Standard for Industrial Enterprises Noise at Boundary
44.	Provisions on the Administration of Urban Construction Garbage
45.	Stationary Source Emission—Specifications for Continuous Monitoring of Nonmethane Hydrocarbons
46.	Discharge Standard and Measurement Methods of Pollutants from Paint Manufacturing
47.	Guiding Opinions of the National Development and Reform Commission and Other Departments on Coordinating Energy Conservation and Carbon Reduction and Recycling and Accelerating the Transformation and Upgrading of Products and Equipment in Key Areas
48.	Guiding Opinions of the State Council on Accelerating the Establishment and Improvement of a Green and Low-carbon Circular Development Economic System
49.	Interim Measures for the Administration of Recycling Traction Batteries of New Energy Vehicles
50.	Measures for the Management of End-of-Life Vehicle Recycling
II. List of laws, regulations and related standards applicable to occupational health and safety	
1.	Law of the People’s Republic of China on Prevention and Control of Occupational Diseases
2.	Fire Prevention Law of the People’s Republic of China

No.	Names of Documents
3.	Law of the People's Republic of China on Work Safety
4.	Law of the People's Republic of China on Road Traffic
5.	Special Equipment Safety Law of the People's Republic of China
6.	Law of the People's Republic of China on Emergency Responses
7.	Regulations on the Supervision and Administration of Occupational Health In Workplaces
8.	Administrative Measures for the Withdrawal and Use of Expenses for Safety Production of Enterprises
9.	Management Measures for Occupational Health Examination
10.	Measures for Reporting Occupational Hazards
11.	Classification and Catalogue of Occupational Diseases
12.	Regulations on Safety Management of Dangerous Chemicals
13.	Regulation on the Administration of Precursor Chemicals
14.	Measures for Supervision and Management of Special Equipment Operators
15.	China's Three-Year Action Plan for Special Rectification on Work Safety
16.	Standard to Determining Hidden Danger of Major Production Safety Accidents in Industry and Trade
17.	Method Determining Major Fire Hazards
III. List of laws, regulations and related standards applicable to human resources	
1.	Universal Declaration of Human Rights
2.	United Nations Guiding Principles on Business and Human Rights
3.	International Labour Organization Conventions
4.	Labor Contract Law of the People's Republic of China
5.	Regulations for the Implementation of the Labor Contract Law of the People's Republic of China
6.	Trade Union Law of the People's Republic of China
7.	Labor law of the People's Republic of China
8.	Law of the People's Republic of China on the Protection of Minors
9.	Law of the People's Republic of China on Mediation and Arbitration of Labor Disputes
10.	Employment Promotion Law of the People's Republic of China
11.	Social Insurance Law of the People's Republic of China
12.	Implementing Regulations of the Social Insurance Law of the People's Republic of China
13.	Special Provisions on Labor Protection of Female workers
14.	Measures for Determining of Industrial Injury
15.	Regulations on Industrial Injury Insurance
16.	Regulation on Prohibition of Child Labor
17.	Interim Provisions on Payment of Wage
18.	Regulations on Paid Annual Leave of Employees

No.	Names of Documents
19.	Measures for the Implementation of Paid Annual Leave for Enterprise Employees
20.	Regulations on Medical Treatment Period for Employees of Enterprises Suffering from Illness or Non-Work Related Injuries
21.	Measures on Having a Holiday for National Annual Leaves and Memorial Days
22.	Regulations on Unemployment Insurance
23.	Interim Provisions on Labor Dispatch
24.	Regulations for the Employment of the Disabled
25.	Regulations on Management of Housing Provident Fund
26.	Regulations on Practice Management of Vocational School Students
IV. List of laws, regulations and related standards applicable to product quality management	
1.	Law of the people's Republic of China on the Protection of Consumers' Rights and Interests
2.	Product Quality Law of the People's Republic of China
3.	Regulations on the Liability for Repair, Replacement and Return of Household Automotive Products
4.	Measures for the Implementation of Regulations on Recall Management of Defective Automobile Products
5.	Guidelines for Air Quality Assessment in Passenger Cars
6.	Management Method for Passenger Car Makers' Average Fuel Consumption and Points of New Energy Vehicle
7.	Interim Measures for the Management of Recycling and Utilization of Power Batteries for New Energy Vehicles
V. List of other applicable laws, regulations and related standards	
1.	Criminal Law of the People's Republic of China
2.	Company Law of the People's Republic of China
3.	Anti-Money Laundering Law of the People's Republic of China
4.	Law of the People's Republic of China on Anti Unfair Competition
5.	Anti-Monopoly Law of the People's Republic of China
6.	Law of the People's Republic of China on Cybersecurity
7.	Data Security Law of the People's Republic of China
8.	Personal Information Protection Law of the People's Republic of China
9.	General Data Protection Regulation (GDPR)
10.	UN/WP.29 R155 Information Security and Information Security Management System
11.	Advertising Law of the People's Republic of China
12.	Trademark Law of the People's Republic of China
13.	Patent Law of the People's Republic of China
14.	Copyright Law of the People's Republic of China
15.	Regulations of the People's Republic of China on the Administration of Import and Export of Technologies
16.	Management Standard for Enterprise Intellectual Property (GB/T 1.1-2009)

Appendix 2

ESG Key Performance Indicators¹

Names of the Indicator	Unit	2021	2022	2023
Greenhouse Gas (GHG) emissions ²				
Scope 1 GHG emissions ³	tCO ₂ e	164,173	145,563	127,437
– Vehicle plants	tCO ₂ e	147,374	131,854	119,796
– Others	tCO ₂ e	16,799	13,709	7,641
Scope 2 GHG emissions ⁴	tCO ₂ e	529,090	455,550	379,211
– Vehicle plants	tCO ₂ e	376,022	275,599	203,746
– Others	tCO ₂ e	153,068	179,951	175,465
Scope 3 GHG emissions ⁵	tCO ₂ e	48,793,452	49,815,353	56,273,917
– Purchased goods and services	tCO ₂ e	8,326,976	10,433,139	12,263,153
– Transportation and distribution	tCO ₂ e	853,412	863,225	1,116,465
– Use of sold products	tCO ₂ e	39,594,564	38,508,008	42,874,713
– Employee commuting	tCO ₂ e	9,291	1,983	879
– Business travel	tCO ₂ e	9,209	8,999	18,707
Total GHG emissions (Scope 1+2+3)	tCO ₂ e	49,486,715	50,416,466	56,780,564
Intensity of GHG emissions (Scope 1+2+3)	tCO ₂ e/vehicle	37.26	35.18	33.67
Intensity of average tailpipe emissions (WLTC) ⁶	gCO ₂ /km	198.76	179.15	169.48
Energy consumption ^{2, 7}				
Total energy consumption ⁷				
Direct energy consumption ⁸	tons of standard coal	76,499	75,186	80,221
	MWh	N/A	676,849	725,320
– Vehicle plants	tons of standard coal	69,116	68,319	76,360
– Others	tons of standard coal	7,383	6,867	3,861

Names of the Indicator	Unit	2021	2022	2023
Indirect energy consumption ⁹	tons of standard coal	114,299	131,343	150,343
	MWh	N/A	1,068,739	1,223,230
– Vehicle plants	tons of standard coal	81,502	92,006	108,286
– Others	tons of standard coal	32,797	39,337	42,057
Total energy consumption	tons of standard coal	190,798	206,529	230,564
	MWh	N/A	1,745,589	1,948,550
– Vehicle plants	tons of standard coal	150,618	160,325	184,646
– Others	tons of standard coal	40,180	46,204	45,918
Intensity of energy consumption	kg of standard coal/vehicle	143.67	144.12	136.71
	MWh/vehicle	N/A	1.22	1.16
Renewable energy ⁹				
Renewable electricity	kWh	78,879,212	245,892,045	536,948,212
– Vehicle plants	kWh	75,047,763	241,577,635	502,756,803
– Others	kWh	3,831,449	4,314,410	34,191,409
Non-renewable energy ⁹				
Natural gas	standard cubic meter	57,650,819	57,880,386	69,139,256
– Vehicle plants	standard cubic meter	56,441,274	56,940,146	68,272,341
– Others	standard cubic meter	1,209,545	940,240	866,915
Gasoline	L	12,204,415	10,047,355	3,391,171
– Vehicle plants	L	6,539,705	4,938,583	1,057,160
– Others	L	5,664,710	5,108,773	2,334,012

Names of the Indicator	Unit	2021	2022	2023
Diesel	L	52,181	48,924	49,011
– Vehicle plants	L	44,035	43,007	44,395
– Others	L	8,146	5,917	4,615
Purchased electricity	kWh	851,011,760	746,172,470	919,517,743
– Vehicle plants	kWh	587,988,510	431,132,438	604,837,856
– Others	kWh	263,023,250	315,040,032	314,679,887
Purchased steam	tonnes	119,538	103,830	64,920
– Vehicle plants	tonnes	117,128	102,876	63,850
– Others	tonnes	2,410	954	1,070
Pollutant emissions ^{10, 11}				
Air pollutants				
Nitrogen oxides (NO _x) emission	tonnes	104.25	97.01	110.82
– Vehicle plants	tonnes	102.63	93.38	109.97
– Others	tonnes	1.62	3.64	0.85
Intensity of nitrogen oxides (NO _x) emission	kg/vehicle	0.0785	0.0705	0.0672
Sulfur dioxide (SO ₂) emission	tonnes	23.93	11.27 [#]	18.03
– Vehicle plants	tonnes	23.35	10.05 [#]	17.09
– Others	tonnes	0.58	1.21	0.94
Intensity of sulfur dioxide (SO ₂) emission	kg/vehicle	0.018	0.008 [#]	0.011
Volatile organic compounds (VOCs) emission	tonnes	69.64	48.95 [#]	70.54
– Vehicle plants	tonnes	66.91	48.89 [#]	70.54
– Others	tonnes	2.73	0.06	0
Intensity of volatile organic compounds (VOCs) emission	kg/vehicle	0.052	0.036 [#]	0.043
Non-methane hydrocarbon (NMHC) emission	tonnes	90.49	66.05 [#]	77.96
– Vehicle plants	tonnes	78.13	64.10	75.72
– Others	tonnes	12.36	1.95	2.24
Intensity of non-methane hydrocarbon (NMHC) emission	kg/vehicle	0.068	0.048	0.047

Names of the Indicator	Unit	2021	2022	2023
Particulate emission	tonnes	64.47	65.67 [#]	68.84
– Vehicle plants	tonnes	54.81	62.22 [#]	62.72
– Others	tonnes	9.66	3.46	6.12
Intensity of particulate emission	kg/vehicle	0.049	0.048 [#]	0.042
Wastewater				
Chemical oxygen demand (COD) emission	tonnes	128.33	142.64	175.00
– Vehicle plants	tonnes	125.15	139.73	172.85
– Others	tonnes	3.18	2.91	2.15
Ammonia nitrogen emission	tonnes	6.16	6.25	8.94
– Vehicle plants	tonnes	5.84	5.92	8.46
– Others	tonnes	0.32	0.34	0.48
Industrial wastewater discharge	tonnes	2,361,785	2,356,283 [#]	2,703,472
– Vehicle plants	tonnes	2,349,462	2,348,081 [#]	2,697,734
– Others	tonnes	12,323	8,202	5,738
Industrial wastewater discharge per unit of sales volume	tonnes/vehicle	1.78	1.71 [#]	1.64
Domestic wastewater discharge	tonnes	1,410,366	1,907,388 [#]	1,831,774
– Vehicle plants	tonnes	651,468	1,016,937 [#]	1,052,448
– Others	tonnes	758,898	890,451	779,326
Domestic wastewater discharge per unit of sales volume	tonnes/vehicle	1.06	1.39 [#]	1.11
Waste				
Total non-hazardous solid waste generated	tonnes	163,260	153,602 [#]	195,460
– Vehicle plants	tonnes	142,204	133,621 [#]	172,662
– Others	tonnes	21,056	19,981	22,798
Intensity of non-hazardous solid waste generated	kg/vehicle	122.93	111.56 [#]	118.57
Total hazardous waste generated	tonnes	12,707	15,550 [#]	16,799
– Vehicle plants ¹²	tonnes	11,281	13,819 [#]	15,167
– Others	tonnes	1,426	1,730	1,632

Names of the Indicator	Unit	2021	2022	2023
Intensity of hazardous waste generated	kg/vehicle	9.57	11.29 [#]	10.19
Percentage of solid waste recycled ¹³	%	97.37	95.80 [#]	97.06
Percentage of compliant discharge of solid waste	%	100	100	100
Percentage of compliant discharge of major pollutants	%	100	100	100
Water consumption^{10, 14}				
Water consumed for production (freshwater)	10,000 tonnes	493.27	501.13 [#]	507.05
– Vehicle plants	10,000 tonnes	454.85	439.00 [#]	445.16
– Others	10,000 tonnes	38.42	62.13	61.89
Total water consumption	10,000 tonnes	583.65	601.96 [#]	595.06
– Vehicle plants	10,000 tonnes	454.85	439.00 [#]	445.16
– Others	10,000 tonnes	128.80	162.96	149.89
Water consumption per unit of sales volume	tonnes/vehicle	4.39	4.37 [#]	3.61
Industrial water resources recycled	tonnes	4,812,769	4,925,440 [#]	4,992,611
– Vehicle plants	tonnes	4,466,663	4,315,370 [#]	4,384,863
– Others	tonnes	346,106	610,070	607,748
Percentage of industrial water resources recycled	%	97.57	98.29	98.46
Use of Raw Materials – Manufacturing¹⁰				
Steel consumption	tonnes	334,003	363,557	448,601
Intensity of steel consumption	kg/vehicle	251.50	264.05	272.12
Paint consumption	tonnes	15,159	16,522	20,803
Intensity of paint consumption	kg/vehicle	11.41	12.00	12.62

Names of the Indicator	Unit	2021	2022	2023
Packaging materials¹⁰				
Disposable packaging material consumption (vehicle manufacturing)	tonnes	9,977	12,103	10,341
Intensity of disposable packaging materials	kg/vehicle	7.51	8.45	6.13
Percentage of suppliers with recycling packaging materials	%	81.58	82.71	83.79
Recycling rate of packaging materials	%	100	100	100
Environmentally-friendly operation¹⁰				
Completion rate of “environmental impact assessment” and execution of “design, building and commission” in new projects and expansion projects	%	100	100	100
Complaint rate of environmental incidents and issues	%	0	0	0
The rate of environmentally-friendly facilities allocated and normally operated	%	100	100	100
Amount of hefty fines for violation of environmental laws and regulations	RMB10,000	0	0	0
Times of non-economic punishment for violation of environmental laws and regulations	time	0	0	0
Weight of important leakage	tonnes	0	0	0
Number and distribution of employees¹⁵				
Total employees at year end	person	44,157	49,251 [#]	60,296
New hired employees	person	14,327	18,187	24,328
Fresh graduates employed	person	3,198	3,161	3,114
Ethnic minority employees at year end	person	2,549	2,600	3,445
Employees at year end by employment type				
Full-time employees	person	37,299	44,695 [#]	53,998
Others (including interns and rehired retirees)	person	6,858	4,556	6,298
Employees at year end by gender				
Male	person	37,041	39,870 [#]	49,832
Female	person	7,116	9,381 [#]	10,464

Names of the Indicator	Unit	2021	2022	2023
Employees at year end by age group				
Under 30 years old	person	23,827	25,076 [#]	30,446
30-50 years old	person	19,692	23,592 [#]	29,226
Above 50 years old	person	638	583 [#]	624
Employees at year end by region				
North China	person	2,051	2,186	1,864
Northwest China	person	2,376	2,451	7,085
Southwest China	person	2,043	2,338	2,376
East China	person	34,974	38,799 [#]	44,568
South China	person	2,581	3,328	4,182
Northeast China	person	8	66	112
Hong Kong, Macao and Taiwan	person	18	14 [#]	14
Overseas	person	106	69 [#]	95
Number of employees by position				
Research	person	N/A	12,653	15,657
Support (including sales, supply chain, business support personnel, etc.)	person	N/A	13,727	16,309
Management	person	N/A	3,017	3,219
Operation	person	N/A	19,854	25,111
Number of members in the highest governing body at year end				
Members in the highest governance body	person	13	11	12
Female members in the highest governance body	person	3	3	3
Employee rights and benefits				
Percentage of labor contract signed	%	100	100	100
Percentage of social insurance covered	%	100	100	100
Percentage of medical examination and health profiles covered	%	100	100	100
Percentage of employees receiving regular performance and career development appraisal	%	100	100	100
Proportion of mainland employees membership in labour union	%	100	100	100

Names of the Indicator	Unit	2021	2022	2023
Employee turnover				
Total employee turnover	person	8,725	9,677 [#]	10,524
Total employee turnover rate	%	19.80	19.65	17.45
Turnover rate by gender				
Male	%	20.10	20.49	17.41
Female	%	17.90	16.08 [#]	17.66
Turnover rate by age group				
Under 30 years old	%	19.30	23.15 [#]	22.54
30-50 years old	%	20.80	15.70	12.35
Above 50 years old	%	6.30	28.64 [#]	8.01
Health and safety				
Safety accidents	number	22	19 [#]	40
Lost time incident rate per 200,000 working hours (LTIR) ¹⁶	/	0.05	0.04	0.07
Work-related fatalities	number	0	0	0
Rate of work-related fatalities	%	0	0	0
Lost working days caused by work-related injuries	Day	786	887 [#]	1,652
Rate of serious injury accidents	‰	0.056	0.020 [#]	0.017
Rate of minor injury accidents	‰	0.31	0.37 [#]	0.65
Occupational disease accidents	number	0	0	0
Rate of occupational diseases	‰	0	0	0
Rate of work-related injuries	‰	0.36	0.39 [#]	0.66
Rate of absenteeism	‰	0.056	0.072 [#]	0.110
Financial losses caused by safety accidents	RMB10,000	32.51	56.95 [#]	31.48

Names of the Indicator	Unit	2021	2022	2023
Development and training				
Total no. hours of employee training	hour	3,397,795	3,740,996	4,842,797
Percentage of employee training	%	100	100	100
Percentage of employee training by gender				
Male	%	100	100	100
Female	%	100	100	100
Percentage of employee training by types of employees				
Senior personnel	%	100	100	100
Middle personnel	%	100	100	100
General employees	%	100	100	100
Average training hours per employee by gender				
Male	hour	75.98	77.13 [#]	80.33
Female	hour	82.00	70.99 [#]	80.24
Average training hours per employee by types of employees				
Senior personnel	hour	186.14	165.38 [#]	137.70
Middle personnel	hour	107.89	120.28 [#]	126.60
General employees	hour	75.66	74.53 [#]	78.96
Average training hours per employee by positions				
Research	hour	83.86	62.46	107.50
Support	hour	85.83	66.21 [#]	71.36
Management	hour	113.43	75.26 [#]	99.60
Operation	hour	64.37	91.41	66.72

Names of the Indicator	Unit	2021	2022	2023
Percentage of suppliers by region				
Total number of suppliers	number	1,099	1,050	1,020
East China	%	62.7	64.0	68.3
Other districts of China (including North China, Southwest China, South China, Northeast China, etc.)	%	35.4	34.5	30.4
Overseas	%	1.9	1.5	1.3
Supplier management ¹⁵				
Tier-1 suppliers received routine and irregular flight audit (Geely brand and Lynk & Co)	%	40.46	85.95	78.21
Tier-1 suppliers received routine and irregular flight audit (ZEEKR)	%	69.81	66.82	79.88
Total training hours of suppliers	hour	849	1,291	1,082
Percentage of suppliers participated in anti-corruption training	%	80	73	90
Suppliers with ISO 14001 system certification	%	82	84	90
Suppliers with OHSAS 18001/ISO 45001 system certification	%	48	56	57
Suppliers with IATF 16949 system certification	%	99	99	99
Percentage of direct suppliers signed the Geely Supplier Code of Conduct	%	70	93	94
Suppliers that are determined to have actual or potential significant negative environmental and social impact	number	0	0	0
Product quality and safety				
Percentage of products passing safety and health assessment	%	100	100	100
No. of vehicles sold or shipped subject to recalls for safety and health reasons	vehicle	0	0	0
Incidents per thousand vehicles (IPTV) (12MIS) of Geely brand ¹⁷	‰	17	13	7
Public recall	time	0	3	1
IQS of Geely brand ¹⁸	PPH	170	166	140

Names of the Indicator	Unit	2021	2022	2023
Dealer management				
China's dealers	number	1,550	1,744	2,164
Oversea distributors	number	32	43	61
Number of trainings for dealers	time	813	1,032	1,655
Percentage of dealers participated in trainings				
– China's dealers	%	95	97	100
– Oversea distributors	%	100	100	100
Products and customer services				
No. of club members in China ¹⁹	person	3,812,441	5,534,060	9,217,800
Annual growth rate of club members	%	55.00	45.16	66.56
Club members' activities	time	4,376	3,572	3,762
Complaints of product and service	number	35,992	21,021	15,033
Percentage of complaints handled				
– China's dealers	%	100	98.16	95.27
– Oversea distributors	%	99.30	99.30	99.05
Customer satisfaction				
– Geely brand (China)	score	95.05	95.70	95.60
– Lynk & Co	score	92.64	95.32	97.47
– Geely brand (International)	score	90.10	93.50	93.40
J.D. Power Customer Service Index (CSI) Study-Geely brand	score	770	770	771
Anti-corruption				
Compliance (including anti-corruption) training hours	hour	109,938	130,890	835,125
Average hours of compliance (including anti-corruption) training per director and employee	hour	2.5	2.7	2.5
Percentage of employees participated in compliance (including anti-corruption) training	%	100	100	100
Community activities				
Total hours of employees participated in community activities	hour	1,806	10,688	13,643

Notes:

1. The statistical scope of ESG key performance indicators covers the Group and major joint ventures. Due to the expanded disclosure scope of ESG key performance indicators, certain indicators are not available for 2021 and presented as "N/A" for undisclosed data.
2. The 2023 statistical scopes of GHG emission and energy consumption indicators cover 17 vehicle plants producing for Geely brand, ZEEKR, Lynk & Co and Livan (Hangzhou Bay factory 2, factories in Meishan, Baoji, Jinzhong, Chunxiao, Xi'an, Changxing, Daijiangdong (Qiantang), Linhai, Guiyang, Xiangtan, Jinan, Lynk & Co Factories in Chengdu, Yuyao, Zhangjiakou, and ZEEKR PMA factory, Livan factories in Chongqing), 10 powertrain plants and office premises (headquarters in Hangzhou and R&D centre/Powertrain R&D centre at Ningbo Hangzhou Bay). Geely Auto adopts a "Basing production on sales"'s production model. The sales volume used to calculate gas emissions and energy consumption intensity is the total annual sales volume of 1,686,516 vehicles. The data of GHG emissions are calculated with reference to the "Guide to Accounting Methods and Reporting of Greenhouse Gas Emissions of Machinery and Equipment Manufacturing Enterprises", the "Fifth Scientific Assessment Report of IPCC (2014)" and the data released by government authorities. The greenhouse gas emissions in 2023 have included carbon credit offsetting and offsetting by purchasing the International Renewable Energy Certificate (I-REC).
3. GHG emissions (Scope 1) are direct emissions from the use of direct energy such as natural gas, gasoline and diesel.
4. GHG emissions (Scope 2) are indirect emissions from the use of purchased electricity and steam; The national grid average emission factor of 0.5703 tCO₂/MWh is used for the calculation of purchased electricity.
5. GHG emissions (Scope 3): 1) Purchased goods and services: mainly based on is the upstream industrial chain data calculated according to the material structure (without considering the material utilization rate) and the carbon emission factors published by the CATARC, and the data adopted from the suppliers' LCA report submitted to us; 2) Logistics: including incoming logistics, outgoing logistics and after-sales logistics, excluding export logistics data. The data is based on the enterprise logistics settlement fees (settled per kilometer and per cubic meter); 3) Use use of sold products (including direct and indirect emissions) is based on the announced fuel consumption and power consumption of each model, and the mileage is calculated based on an average of 150,000 kilometers; 4) Employee commuting: Calculated based on the data of our commuter buses and company cars; 5) Business travel: including the data of employees' official travel by plane and train booked on the "Geely Business Travel".
6. Intensity of average tailpipe emissions = GHG emissions (Scope 3) - use of sold products/total sales volume of the year/150,000 kilometers.
7. Energy consumption data is calculated with reference to the "General Rules for Calculation of the Comprehensive Energy Consumption" (GB2589-2020). According to the relevant conversion coefficients of the "General Principles for Calculating Comprehensive Energy Consumption" (GB/T 2589-2020), "Natural Gas" (GB 17820-2018) and the United States Environmental Protection Agency (US EPA), direct energy consumption, indirect energy consumption, total energy consumption, and energy consumption density are calculated in MWh.
8. Direct energy include: natural gas, gasoline, diesel.
9. Indirect energy includes: renewable energy (photovoltaic power, hydroelectric power, wind power, direct purchase of green electricity, and purchase of International Renewable Energy Certificates I-REC) and non-renewable energy (purchased electricity, purchased steam).
10. The 2023 statistical scopes of environmentally-friendly operation, pollutant emissions, water consumption, use of raw materials and packaging materials indicators cover 16 vehicle plants producing for Geely brand, ZEEKR, Lynk & Co (Hangzhou Bay factory 2, factories in Meishan, Baoji, Jinzhong, Chunxiao, Xi'an, Changxing, Daijiangdong (Qiantang), Linhai, Guiyang, Xiangtan, Jinan, Lynk & Co Factories in Chengdu, Yuyao, Zhangjiakou, and ZEEKR PMA factory), 10 powertrain plants and office premises (headquarters in Hangzhou and R&D centre at Ningbo Hangzhou Bay). Compared with the scope in 2022, Hangzhou Bay Plant 1 was excluded in 2023. The sales volume used to calculate the intensity is 1,648,515 vehicles excluding Livan.
11. The pollutant emission indicators sourced from the Group's monitoring data.
12. The total hazardous waste of the vehicle base includes the scope of hazardous waste statistics the Group has voluntarily expanded: aqueous solvents (2023: 2,729 tonnes; 2022: 2,623 tonnes).
13. The calculation method of percentage of solid waste recycled is: comprehensive utilization amount of general industrial solid waste/ generation amount of general industrial solid waste, and the scope of disclosure includes production plants only.
14. Water consumption indicators sourced from the Group's monitoring data. The water withdrawal in 2023 came from municipal water supply and surface water (4,923 tons of irrigation water came from rivers).
15. After recalculation, the Group has updated the 2022 human resources data, and all human resources data in 2022 and 2023 exclude ZEEKR overseas employees (2022: 863, 2023: 786).
16. Lost time incident rate per 200,000 working hours (LTIR) = number of lost time accidents X 200,000 / total working hours of all employees. Total working hours of all employees = number of employees X 40 hours X 50 weeks.
17. Incident per thousand vehicles (IPTV) 12MIS = the number of maintenance of vehicles produced and sold for prior 12 months/number of vehicles produced and sold for prior 12 months X 1,000.
18. IQS = the number of complaints/the number of vehicles X 100.
19. China's club members represent App accumulative registered number of Geely brand, ZEEKR and Lynk & Co, including potential customers and end customers.
- # Based on statistical optimization, data in 2022 has been updated.

Appendix 3

SASB Automobiles Sustainability Accounting Standard-Content Index

Topic	Code & Accounting metrics		Unit of measure	2022	2023	Page/Comment
Activity Metrics	TR-AU-000.A	Number of vehicles manufactured ¹	Unit	1,432,988	1,686,516	N/A
	TR-AU-000.B	Number of vehicles sold	Unit	1,432,988	1,686,516	N/A
Product Safety	TR-AU-250a.1	Percentage of vehicle models rated by NCAP programs with an overall 5-star safety rating, by region	%	China: 100 Europe: 100 ²	China: 100 Europe: 100	92
	TR-AU-250a.2	Number of safety-related defect complaints, percentage investigated	Number	126	19	90-91
			%	100	100	90-91
	TR-AU-250a.3	Number of vehicles recalled	Unit	140,477	22,272	90
	Labor Practices	TR-AU-310a.1	Percentage of active workforce covered under collective bargaining agreements	%	100	123
		TR-AU-310a.2	Number of work stoppages and total days idle	Number	0	131
			Day idle	0	0	131
Fuel Economy & Usephase Emissions	TR-AU-410a.1	Sales-weighted average passenger fleet fuel economy in China	Litre/100km	5.23	4.51	23
	TR-AU-410a.2	Number of 1) zero emission vehicles (ZEV), 2) hybrid vehicles, and 3) plug-in hybrid vehicles sold	Unit	262,253	336,037	24; 43
			Unit	25,744	Included in sales of ICE vehicles and not disclosed separately	24; 43
			Unit	66,474	151,424	24; 43
	TR-AU-410a.3	Discussion of strategy for managing fleet fuel economy and emissions risks and opportunities	/	With 2020 as baseline, Geely Auto has set targets to reduce life cycle carbon emissions per vehicle by 25% by 2025, and commits to achieving carbon neutrality by 2045. For the discussion of fuel economy, please refer to: ESG Report 2022 Climate Strategy (P.20-21), Carbon Reduction in Vehicle Use (P.22); Geely Auto has long been concerned about the carbon emission and climate change trend and the deployment of macro policies, and incorporated the risks and opportunities related to carbon emission and climate change into the risk management process, please refer to: ESG Report 2022 “3.4 TCFD Disclosure” (P.34-40).	With 2020 as the baseline, Geely Auto has set targets to reduce life cycle carbon emissions per vehicle by 25% by 2025, and commits to achieving carbon neutrality by 2045. For the discussion of fuel economy, please refer to: Lifecycle Carbon Management (P.20-22); Geely Auto has long been concerned about the carbon emission and climate change trend and the deployment of macro policies, and incorporated the risks and opportunities related to carbon emission and climate change into the risk management process, please refer to: “3.4 Climate-related Disclosure” (p.36-43).	
Materials Sourcing	TR-AU-440a.1	Description of the management of risks associated with the use of critical materials	/	The critical materials is a key matter for supply chain risk management, Geely Auto has identified 14 critical raw materials of high risk, and planned to conduct further investigation on its risk exposure, please refer to: ESG Report 2022 Supply Chain Risk Management (P.84-85) and key raw materials (P.87) for details;	The risk management of critical materials is a key issue in the chapter headed sustainability supply chain management. The Group regarded raw materials and key minerals as a major identified risk, and based on the 14 key materials identified in the previous financial year, i.e. cobalt, lithium, nickel, manganese, copper, graphite, to conduct blockchain traceability pilot work, please refer to: Risk Management of Key Raw Materials (P.107) for details.	
Materials Efficiency & Recycling ³	TR-AU-440b.1	Total amount of waste from manufacturing, percentage recycled	Tonne	121,215 ²	174,268	50
			%	96.27 ²	97.97	50
	TR-AU-440b.2	Weight of end-of-life material recovered, percentage recycled	Tonne	387.35	5,837	57-59
			%	100	-	N/A

1 Geely Auto adopts a “Basing production on sales”s production model. Therefore, the data for vehicles manufactured and vehicles sold are the same.

2. The data for 2022 have been revised after recalculation.

3. The Group newly added the vehicle circular manufacturing business in 2023. In 2023, the recycling weight of scrap materials includes the vehicle recovery of test vehicles, with the estimated weight of each vehicle being 1.3 tonnes. The percentage of recycling is not calculated in 2023.

Appendix 4

HKEX ESG Reporting Guide - Content Index

Subject Areas, Aspects, General Disclosures and KPIs		Page/Comment
A.Environmental		
Aspect A1	Emissions	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	48-54; 142
KPI A1.1	The types of emissions and respective emissions data.	145-146
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	22; 32; 43; 144
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	51-52; 145-146
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	49-50; 145
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	48-54
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	49-50
Aspect A2	Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Resources can be used for production, storage, transportation, buildings, electronic equipment, etc.	55-56
KPI 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).	144

Subject Areas, Aspects, General Disclosures and KPIs		Page/Comment
KPI A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	55-56; 146
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	19-35
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	55-56
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	35; 146
Aspect A3	The Environment and Natural Resources	
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	48-54
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	48-56
Aspect A4	Climate Change	
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	36-40
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	41-43
B. Social		
Aspect B1	Employment	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	119-122; 143
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	118; 143
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	147

Subject Areas, Aspects, General Disclosures and KPIs		Page/Comment
Aspect B2	Health and Safety	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	129-130; 142-143
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	131; 147
KPI B2.2	Lost days due to work injury.	131; 147
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	129-133
Aspect B3	Development and Training	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Training refers to vocational training and may include internal and external courses paid by the employer.	127-129
KPI B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	148
KPI B3.2	The average training hours completed per employee by gender and employee category.	148
Aspect 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.	120-121; 143
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	120-121
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	120-122
Aspect B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	102
KPI B5.1	Number of suppliers by geographical region.	103; 148
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	103
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	102-105

Subject Areas, Aspects, General Disclosures and KPIs		Page/Comment
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	103-104; 109
Aspect B6	Product Responsibility	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	84-91
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	90
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	97; 99; 149
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	75
KPI B6.4	Description of quality assurance process and recall procedures.	91
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	90
Aspect B7	Anti-corruption	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	73
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	74
KPI B7.2	Description of preventive measures and whistle-blowing procedures and how they are implemented and monitored.	74
KPI B7.3	Description of anti-corruption training provided to directors and staff.	74
Aspect B8	Community Investment	
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	135
KPI B8.1	Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport).	136-141
KPI B8.2	Resources contributed (e.g., money or time) to the focus area.	136-141; 149

Appendix 5

GRI Sustainability Reporting Standards – Content Index

Statement of use: Geely Automobile Holdings Limited has reported the information cited in this GRI content index for the period from January 2023 to December 2023 with reference to the GRI standards.

GRI 1 used: GRI 1: Foundation 2021

GRI standards	Description	Page/Comment
GRI 2: General disclosures 2021		
2-1	Organizational details	3
2-2	Entities included in the organization's sustainability reporting	3
2-3	Reporting period, frequency and contact person	3
2-4	Restatements of information	3; 149
2-5	External assurance	3; 157
2-6	Activities, value chain and other business relationships	3; 103; 112
2-7	Employees	118; 146-147
2-8	Workers who are not employees	146
2-9	Governance structure and composition	7; 62
2-10	Nomination and selection of the highest governance body	62-63
2-11	Chair of the highest governance body	62
2-12	Role of the highest governance body in overseeing the management of impacts	8-10
2-13	Delegation of responsibility for managing impacts	8-9
2-14	Role of the highest governance body in sustainability reporting	3; 10
2-15	Conflicts of interest	74
2-16	Communication of critical concerns	11-12
2-17	Collective knowledge of the highest governance body	10

GRI standards	Description	Page/Comment
2-18	Evaluation of the performance of the highest governance body	63
2-19	Remuneration policies	63
2-20	Process to determine remuneration	63
2-21	Annual total compensation ratio	63
2-22	Statement on sustainable development strategy	11
2-23	Policy commitments	69
2-24	Embedding policy commitments	71
2-25	Processes to remediate negative impacts	73
2-26	Mechanisms for seeking advice and raising concerns	73
2-27	Compliance with laws and regulations	142-143
2-28	Membership associations	7; 101
2-29	Approach to stakeholder engagement	13-14
2-30	Collective bargaining agreements	123
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	11-12
3-2	List of material topics	12
3-3	Management of material topics	12

GRI standards	Description	Page/Comment
Economy		
GRI201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	N/A
201-2	Financial implications and other risks and opportunities due to climate change	37-42
201-3	Defined benefit plan obligations and other retirement plans	124-126
201-4	Financial assistance received from government	N/A
GRI202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	125-125
202-2	Proportion of senior management hired from the local community	N/A
GRI203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	135-141
203-2	Significant indirect economic impacts	135-141
GRI204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	103
GRI205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	73-74
205-2	Communication and training about anti-corruption policies and procedures	73-74
205-3	Confirmed incidents of corruption and actions taken	73-74
GRI206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and anti-monopoly practices	74
GRI207: Tax 2019		
207-1	Approach to tax	75
207-2	Tax governance, control, and risk management	N/A
207-3	Stakeholder engagement and management of concerns related to tax	N/A
207-4	Country-by-country reporting	N/A

GRI standards	Description	Page/Comment
Environmental		
GRI301: Materials 2016		
301-1	Materials used by weight or volume	35; 146
301-2	Recycled input materials used	35; 146
301-3	Reclaimed products and their packaging materials	35; 146
GRI302: Energy 2016		
302-1	Energy consumption within the organization	144
302-2	Energy consumption outside of the organization	144
302-3	Energy intensity	144
302-4	Reduction of energy consumption	144
302-5	Reductions in energy requirements of products and services	144
GRI303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	55-56; 146
303-2	Management of water discharge-related impacts	55-46; 146
303-3	Water withdrawal	146
303-4	Water discharge	146
303-5	Water consumption	146
GRI304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	60
304-2	Significant impacts of activities, products and services on biodiversity	60
304-3	Habitats protected or restored	60
304-4	International Union for Conservation of Nature (IUCN) Red List species and national conservation list species with habitats in areas affected by operations	N/A

GRI standards	Description	Page/Comment
GRI305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	22; 144
305-2	Energy indirect (Scope 2) GHG emissions	22; 144
305-3	Other indirect (Scope 3) GHG emissions	22; 144
305-4	GHG emissions intensity	32; 144
305-5	Reduction of GHG emissions	31; 33
305-6	Emissions of ozone-depleting substances (ODS)	N/A
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	145
GRI306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	49-52
306-2	Management of significant waste-related impacts	49-52
306-3	Waste generated	145-146
306-4	Waste diverted from disposal	145-146
306-5	Waste directed to disposal	145-146
GRI308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	103
308-2	Negative environmental impacts in the supply chain and actions taken	104-107
Social		
GRI401: Employment 2016		
401-1	New employee hires and employee turnover	118; 146-147
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	124-126
401-3	Parental leave	124

GRI standards	Description	Page/Comment
GRI402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	N/A
GRI403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	129-133
403-2	Hazard identification, risk assessment, and incident investigation	129-130
403-3	Occupational health services	131-133
403-4	Worker participation, consultation, and communication on occupational health and safety	131-133
403-5	Worker training on occupational health and safety	130-131
403-6	Promotion of worker health	129-133
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	129-133
403-8	Workers covered by an occupational health and safety management system	129-133
403-9	Work-related injuries	131; 147
403-10	Work-related ill health	129-133
GRI404: Training and Education 2016		
404-1	Average hours of training per year per employee	127-129; 148
404-2	Programs for upgrading employee skills and transition assistance programs	127-129
404-3	Percentage of employees receiving regular performance and career development reviews	127-129; 148
GRI405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	122-123
405-2	Ratio of basic salary and remuneration of women to men	117; 122-123
GRI406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	119-123

GRI standards	Description	Page/Comment
GRI407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	69; 108-109; 120
GRI408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	69; 108; 120-121
GRI409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	69; 108-109; 120-121
GRI410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	119
GRI411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	N/A
GRI413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	134-141
413-2	Operations with significant actual and potential negative impacts on local communities	134-141
GRI414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	103
414-2	Negative social impacts in the supply chain and actions taken	104-108

GRI standards	Description	Page/Comment
GRI415: Public Policy 2016		
415-1	Political contributions	75
GRI416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	84-91
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	90
GRI417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	93
417-2	Incidents of non-compliance concerning product and service information and labeling	112
417-3	Incidents of non-compliance concerning marketing communications	112
GRI418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	82

Appendix 6

Verification Statement



Scope and Objectives

Hong Kong Quality Assurance Agency ("HKQAA") has been commissioned by Geely Automobile Holdings Limited ("GEELY AUTO") to conduct an independent verification of its 2023 ESG Report – Appendix 2 Key Performance Indicators (the "Report") covering the selected data from past performance of GEELY AUTO on greenhouse gas emissions and environmental aspects in the financial year from 1 Jan 2023 to 31 Dec 2023.

The aim of this verification is to provide a limited level of assurance of the Report which is prepared for the scope illustrated below:

SCOPE OF DATA AND PERIOD TO BE COVERED

a. GHG emissions:	
• Scope 1 GHG emission	• Scope 2 GHG emission
• Scope 3 GHG emissions (Purchased goods and services, Transportation and distribution, Use of sold products, Employee commuting, Business travel)	• Total GHG emissions (Scope1+2+3)
• Intensity of GHG emission (Scope 1+2+3)	• Intensity of average tailpipe emissions
b. Energy consumption:	
• Renewable electricity	• Natural gas
• Gasoline	• Diesel
• Electricity purchased	• Steam purchased
• Direct energy consumption	• Indirect energy consumption
• Total energy consumption	• Intensity of energy consumption
c. Pollutant emissions:	
• Nitrogen oxides (NO _x) emission	• Sulphur dioxide (SO ₂) emission
• Volatile organic compounds (VOCs) emission	• Non-methane hydrocarbon (NMHC) emission
• Particulate emission	• Chemical oxygen demand (COD) emission
• Ammonia nitrogen emission	• Industrial wastewater discharge
• Industrial wastewater discharge per unit of sales volume	• Domestic wastewater discharge
• Domestic wastewater discharge per unit of sales volume	• Total non-hazardous solid waste generated
• Total hazardous waste generated	• Intensity of non-hazardous solid waste generated
• Intensity of hazardous waste generated	• Percentage of solid waste recycled
• Percentage of compliant discharge of solid waste	• Percentage of compliant discharge of major pollutants
d. Water consumption:	
• Water consumed for production (freshwater)	• Total water consumption
• Water consumption per unit of sales volume	

The scope of data covered the period of 1 January 2023 to 31 December 2023.

Level of Assurance and Methodology

The process applied in this verification was based on the International Standard on Assurance Engagement 3000 ("ISAE 3000") – "Assurance Engagement Other Than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board. Our verification process is designed to obtain a limited level of assurance for devising opinions and conclusions.

The verification process included verifying the systems and processes implemented for collecting, collating and reporting the sustainability performance and data, reviewing relevant documentation, interviewing responsible personnel with accountability for preparing the reporting contents and selected KPIs and verifying selected representative sample of data and information. Raw data and supporting evidence of the selected samples were also thoroughly examined during the verification process.

Independence

GEELY AUTO is responsible for the collection and presentation of the information presented in this Report. HKQAA was not involved in the calculations, compilation, or development of the Report. HKQAA's verification activities are entirely independent from GEELY AUTO. There was no relationship between HKQAA and GEELY AUTO that would affect the independence of HKQAA for providing the verification service.

Conclusion

Based on the verification procedures performed and evidence obtained, nothing has come to verification team's attention that causes us to believe the reported information and data stated in the Report is not materially correct.

Signed on behalf of Hong Kong Quality Assurance Agency

Head of Audit
April 2024