



2024

Beiqi Foton Motor Co., Ltd. Sustainability Report



CONTENTS

About This Report	02
Chairman Address	04
About Us	06
ESG Management	13
Spotlight 1	
Pursuing a Smart Future Powered by New Energy and EVs	18
Spotlight 2	
Pursuing a Smart Future Powered by New Energy and EVs	24
Outlook	92
Key Performance Table	94
Indicator Index	98
Assurance Statement	100
Feedback	102

Innovative Foton — Securing More Resilient Sustainability 26

Enhancing Party Building	28
Fortifying Corporate Governance	32
Enhancing Risk Prevention and Control	36
Upholding Business Ethics	39

Tech Foton — Empowering Freer Mobility 40

Leading Sci-tech Innovation	42
Forging Excellent Quality	45
Integrating Digitization and Intelligence	49

Green Foton — Bringing Vibrancy to Nature 52

Addressing Climate Change	54
Optimizing Resource Use	63
Preserving Ecological Beauty Together	65

Cohesive Foton — Strengthening Bonds with Partners 66

Building a Sustainable Supply Chain	68
Fostering a Sustainable Ecology Together	70
Delivering Premium Services	72

Caring Foton — Enriching Employee Lives 74

Protecting Employee Rights	76
Safeguarding Employee Safety	78
Supporting Employee Growth	80
Warming the Hearts of Employees	82

Philanthropic Foton — Making a Better Society of Harmony 86

Foton unswervingly serves major national events	88
Supporting Rural Vitalization	89
Giving Back to the Community	90



About This Report

Report Scope

This reporting entity is Beiqi Foton Motor Co., Ltd., including its branches and subsidiaries. The report presents information primarily covering the period from January 1, 2024, to December 31, 2024, with some information extending slightly beyond this timeframe.

This is the first sustainability report released by Beiqi Foton Motor Co., Ltd. (hereinafter referred to as "Beiqi Foton"). Since 2010, Beiqi Foton has released corporate social responsibility reports for 14 consecutive years to enhance communication and exchanges with stakeholders. As ESG concepts emerge and thrive, corporate disclosure has expanded beyond objective data such as finance and business performance. Factors such as ESG (environment, social, and governance) are taken into consideration to help companies improve their value to investors and achieve sustainable development. Given this trend, Beiqi Foton's inherent pursuit of sustainable development, and the stock exchange's compliance requirements for information disclosure by listed companies, this report is therefore renamed as a sustainability report.

Reporting Cycle

This is the first annual sustainability report.

Preparation Basis

This report is prepared in accordance with the *GRI Sustainability Reporting Standards (GRI Standards)* issued by the Global Sustainability Standards Board (GSSB), the *Guidelines No. 14 for Self-Regulation of Listed Companies—Sustainability Report (Trial)* released by the Shanghai Stock Exchange, and also refers to the *Guidance on Social Responsibility Reporting (GB/T 36001-2015)*, the *Guidance on Social Responsibility (ISO 26000:2010)* and the *2030 Agenda for Sustainable Development* released by the United Nations.

Reference

For better readability, in this report, "Beiqi Foton Motor Co., Ltd." is also referred to as "Beiqi Foton", "the Company" or "we".

Data Sources

The relevant information, data, and cases are all sourced from Beiqi Foton, and have been reviewed by the Company.

Important Note

The report is free of false records, misleading statements or significant omissions, and has been reviewed by the Board of Directors of the Company.

Report Release Format

This report is released in printed version (environmentally friendly paper) and electronic version. You can access to the electronic version on our website (<https://www.foton.com.cn>).

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Chairman Address



The year 2024 marks the 20th anniversary since the UN coined the term ESG and the 28th anniversary of Beiqi Foton. At a new historical juncture of pursuing sustainable development, we remain committed to our aspiration of "making extensive social contributions and benefiting hundreds of millions of people" and our mission to "provide green solutions for the energy revolution." In this spirit, we have decided to publish our first ESG report for the structured disclosure of our ESG practices. Over the past 28 years, as a leading commercial vehicle manufacturer in China, we have embedded ESG principles into our strategy and development. We are devoted to advancing green development, creating value, and contributing to social progress. With "Foton speed," we shoulder the responsibilities as an SOE and showcase China's strength through "Foton solutions."

Under China's 30-60 Decarbonization Goal, we provide green solutions for the energy revolution.

Guided by China's 30-60 Decarbonization Goal, Beiqi Foton has prioritized new energy in the Company's development strategy. We advance the three business lines of pure electric + hybrid + fuel cell, with a clear roadmap: by 2030, new energy vehicles will account for over 50% of our sales, and by 2050, we will become a leader in the global green transportation ecosystem. We continue to upgrade our technology, business, and ecosystems, accelerating the green transition of the commercial vehicle sector.

In 2024, we unveiled Beiqi Foton's decarbonization goals, namely to peak carbon dioxide emissions by 2028, achieve carbon neutrality in core plants by 2035, and realize carbon neutrality across the value chain by 2050. To realize these goals, we made intensive investments in new energy vehicles, with the Foton Zhilan new energy exclusive base put into operation and our new energy brand, Cavan, officially launched. We also secured control of core technologies, including battery, electric machine, electronic control, and hydrogen fuel. High-

level hydrogen-powered autonomous heavy-duty trucks were deployed along the Beijing-Tianjin-Tanggu Expressway autonomous driving demonstration zone. New product lines—including the Auman Galaxy series, View series, and Cavan Lefu—made debut, delivering efficient and eco-friendly mobility solutions to users worldwide. We promoted initiatives in distributed solar power, energy-saving equipment upgrades, and production process improvements to cut emissions and improve energy efficiency. Our green transformation extended across packaging, logistics, and factory operations. In addition, we partnered with Dongfang Electric Corporation to build the full hydrogen energy value chain and with Teld to establish a charging network, shaping a low-carbon ecosystem that includes suppliers and dealers across the value chain. As a result, we were recognized in the *Research Report on ESG Of Beijing State-Owned Enterprises* published by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality as the "ESG Competitiveness-Carbon Peaking & Carbon Neutrality Pioneer."

Shouldering the responsibilities as an SOE, we make extensive social contributions that reflect the strengths of China.

Answering the call of our times and people's needs, we are at the forefront of serving major national events and supporting people's well-being. We are present in the celebration of the 70th anniversary of the founding of PRC, the G20 Summit, and the Asia Pacific Economic Cooperation conference, and Beijing's Summer and Winter Olympics, living up to our principle that "Foton unswervingly serves major national events." We also contribute to disaster relief, education, healthcare, and environmental protection, demonstrating our conviction that "Foton always answers to the call of the state." Internally, we strive to foster a workplace featuring equality, respect, inclusiveness, and diversity and protect the rights and interests of employees, ensuring that every employee is valued and empowered, with dignity and happiness.

In 2024, we supported the transportation for China's "Two Sessions" for the 20th consecutive year, paved the way for the future initiatives of the Forum on China-Africa Cooperation, and undertook the reception of the President of Madagascar. In times of crisis, we stood at the forefront with immediate support to fight Chongqing wildfires, flooding in the Beijing-Tianjin-Hebei region, and Typhoon Yagi. Prioritizing employee well-being, we took concrete steps to address their needs by delivering 273 housing units, ensuring 100% access to childcare facilities and schools, and establishing fast-track medical services. Top ten key well-being initiatives were implemented, significantly enhancing employees' sense of well-being.

Deepening innovation-driven development, we nurture new quality productive forces to become a world-class enterprise.

At Beiqi Foton, innovation is the engine of growth. We foster new quality productive forces to build a new paradigm of high-quality development. As we accelerate digitalization, we integrate cutting-edge technologies like the industrial Internet, IoT, and blockchain for a data-driven, intelligent Foton. Globally, we have optimized our footprint with a commercial vehicle and parts ecosystem supported by 10 commercial vehicle plants and 6 parts bases in China, plus 22 KD facilities overseas. With a sales network spanning over 130 countries and regions, we march toward the goal of becoming a world-class enterprise.

In 2024, we reengineered our operations end to end, digitalizing the full value chain from R&D and manufacturing to sales and service. As a result, our R&D efficiency has risen by 50%, while production scheduling efficiency has improved by 60%. These achievements have earned us national recognition as a "Digital

Pioneer" and "Sci-tech Reform Enterprise," and were featured in China's daily television news program *Xinwen Lianbo* as a typical example of developing new quality productive forces. We exported our technologies and expand business overseas to support the Belt and Road Initiative, which was reflected in the implementation of Africa's first electric commercial vehicle production line, the new energy base in Thailand, local manufacturing in Brazil, and the delivery of Piaggio pure electric mini trucks in Italy. These examples show our continuous commitment to offering China's solutions to building a community with a shared future for mankind. In addition, with a global talent platform, we accelerated the training of an international team and provided an equal and inclusive workplace for employees.

Looking ahead, confronted with the dual challenges of energy revolution and industrial revolution, we will uphold ESG as we gather full speed toward becoming a world-class enterprise. Through an international lens, we will foster a Chinese brand that propels China's smart manufacturing to the global stage. We will continue to fuel new quality productive forces through innovation, build a green industrial ecosystem, and offer green solutions for the global energy revolution. In this extraordinary journey of sustainable development, we will compose another impressive chapter of "extensive social contributions and China's strengths."

Chairman, Party Secretary
Beiqi Foton Motor Co., Ltd.

About Us

Company Profile

Founded on August 28, 1996, Beiqi Foton Motor Co., Ltd. ("Beiqi Foton"), a Beijing state-owned enterprise under BAIC Group, was listed on the Shanghai Stock Exchange in 1998. Beiqi Foton offers a full portfolio of commercial vehicles with four major business pillars: vehicles and mobile equipment, parts, digital technology, and business ecosystems. This empowers us to provide efficient interconnection and full-scenario services integrating "people, vehicles, goods, and marketplaces" both online and offline. With our products and services exported to over 130 countries and regions as of the end of 2024, we maintain our leadership in China's commercial vehicle sales and exports.

In terms of vehicles and mobile equipment, we provide solutions across 253 scenarios meeting the needs for both passengers and cargo movements. Our new energy vehicle (NEV) business continues to gather steam, covering all technological pathways including pure electric, hybrid, and hydrogen fuel. These technologies have been applied in our entire product lines from heavy-duty, light-duty, and mini trucks to pickups, vans, buses, and special-purpose vehicles. In digital technology, we operate one of China's largest commercial vehicle IoT platforms. It empowers fleet operators, vehicle manufacturers, suppliers, distributors, financial risk control, second-hand vehicle services, and government agencies with integrated IoT solutions. Our aftermarket ecosystem is built around people, vehicles, goods, and marketplaces—powered by IoT, fintech, big data, and Internet technologies. Centered on customer needs, we have established an intelligent, interconnected ecosystem that supports the entire vehicle lifecycle, from worry-free vehicle use, maintenance, convenient vehicle replacement, to intelligent vehicle management. For our new energy business, we aim to establish a new energy business ecosystem of "vehicle + pile + solar + storage + load + intelligence" in 2025.

Culture

Mission

To provide green solutions for the energy revolution

Vision

To be an international enterprise with green technology and leading market

Core values

To Do, To Try, To Win

Business Philosophy

Green technology drives the energy revolution, digital transformation enhances value creation

Entrepreneurial spirit

Openness, Justice, Courage, Inclusiveness

Work style

Rigorous, meticulous, professional, responsible

Code of conduct

8 Military Rules of Beiqi Foton



Brand concept



Product Portfolio

Logistics vehicle series

New energy vehicles

Conventional energy vehicles (diesel / natural gas)

Bus & coach series

City buses

Intercity buses

School buses

Special-purpose vehicles

Modified vehicles

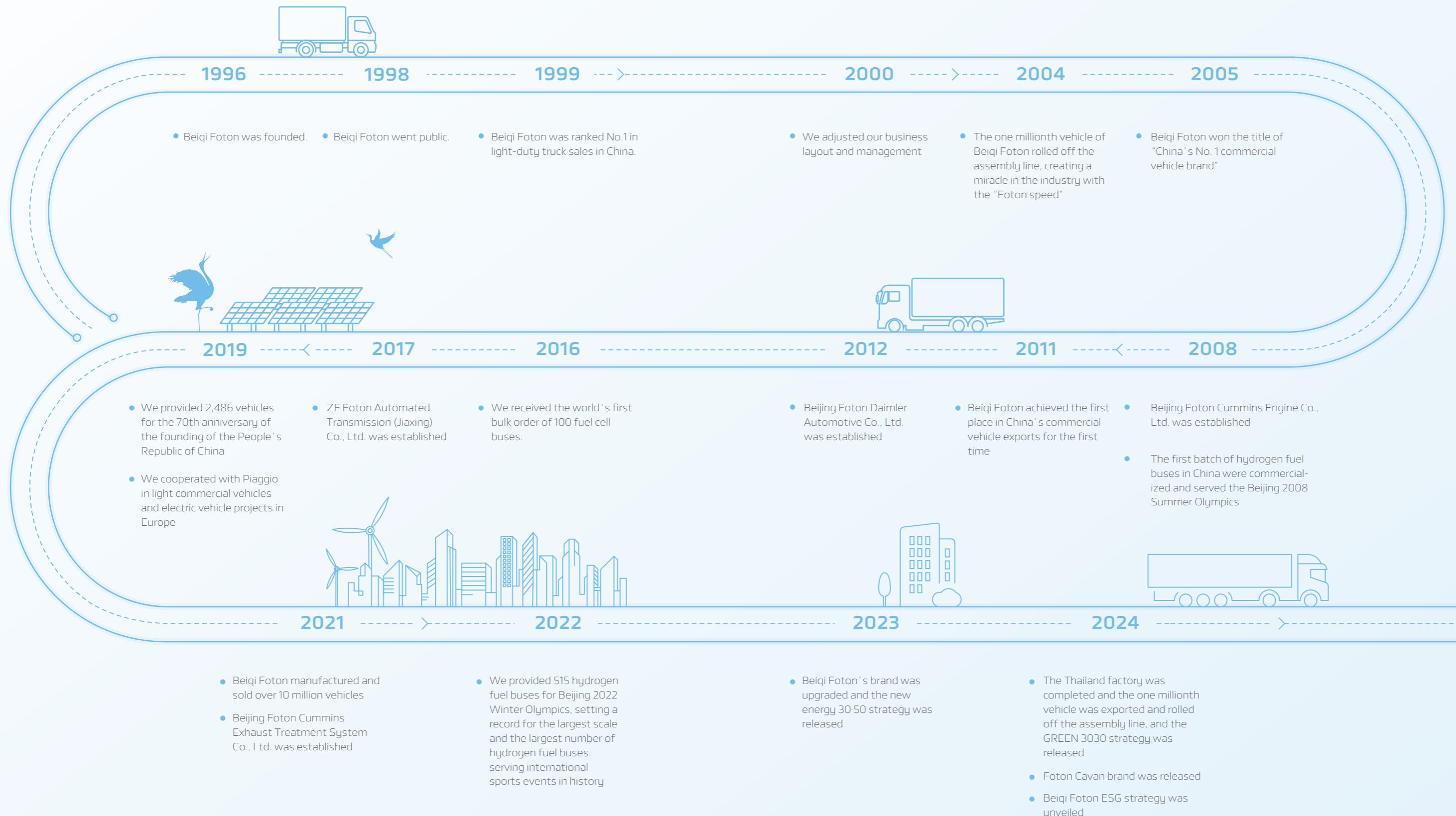
Dedicated chassis

Cold chain vehicles

Vans

Common engineering vehicles

Sustainability Milestones



Annual Highlights

Business performance



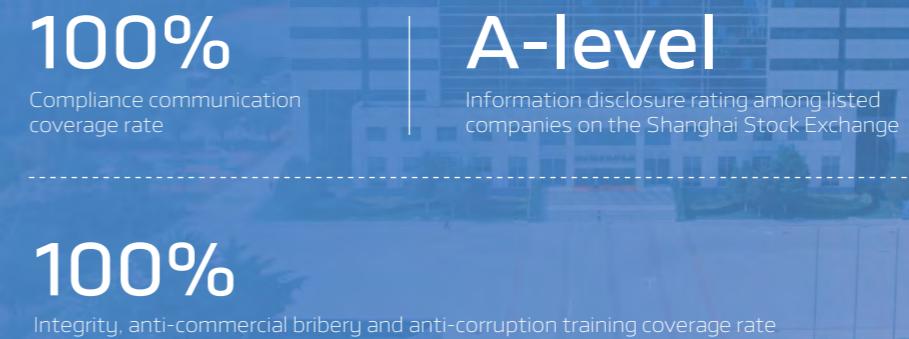
Environmental



Social



Governance



Honors

Year	Honor	Awarded by
2024	We were recognized as the benchmark level of sci-tech reform enterprises.	State-owned Assets Supervision and Administration Commission of the State Council
2024	We received the national "manufacturing single-item champion enterprise".	Ministry of Industry and Information Technology
2024	Light-duty Truck Technology Center under the Automotive Engineering Product Research & Development Institute was awarded the title of National Workers' Pioneer in 2024.	All-China Federation of Trade Unions
2024	We were recognized in the Research Report on ESG Of Beijing State-Owned Enterprises.	The State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality
2024	"End-to-end process change and digital transformation case" was selected as an excellent case of digital transformation.	China Association for Public Companies
2024	We were recognized as an excellent case of the 2024 Security Guardian Program.	China Academy of Information and Communications Technology
2024	We won the Gold Award of "The Most Beautiful Voice of Enterprises".	China Culture Administration Association
2024	"Key Technology and Application of Braking System Resilience of Freight Vehicles Based on Digital Technology" won the first prize of the Science and Technology Progress Award.	China Federation of Logistics & Purchasing
2023	Beiqi Foton was rated as a national industrial design center.	Ministry of Industry and Information Technology
2023	Beiqi Foton was listed in <i>the Pilot and Demonstration Projects for the Integration of New Generation Information Technology and Manufacturing</i> , and listed as a national digitally pioneering enterprise.	Ministry of Industry and Information Technology
2023	Beiqi Foton's ESG practice was recognized as an outstanding case in the <i>Research Report on ESG of Beijing State-owned Enterprises</i> .	State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality
2023	"Key Technology Development and Application of Battery Swapping Heavy-duty Commercial Vehicles" won the first prize.	China Society of Automotive Engineers
2022	We received the honor of Excellent Practice Enterprise in the "Zhuwang 2022" Internet of Vehicles Network Security Drill.	Ministry of Industry and Information Technology
2022	"Multi-source fusion intelligent perception technology and commercialization for dynamic and complex environments" won the first prize of Science and Technology Progress Award.	Beijing Municipal People's Government
2022	We were included in the "2022 Listed Company Supervisory Board Best Practice List" and won the Listed Company Supervisory Board Best Practice Award.	China Association for Public Companies

ESG Management

Upholding the sustainability philosophy, Beiqi Foton has established the ESG strategy to clarify its development goals and aims to secure the implementation of its action plans based on the ESG governance structure. Furthermore, the Company has built unblocked communication channels to acquire stakeholders appeals and expectations. While maximizing the economic benefits, we hope to overcome current environmental and social challenges and achieve economic, environmental, and social values through our talent, capital and technological edges.

ESG Strategy

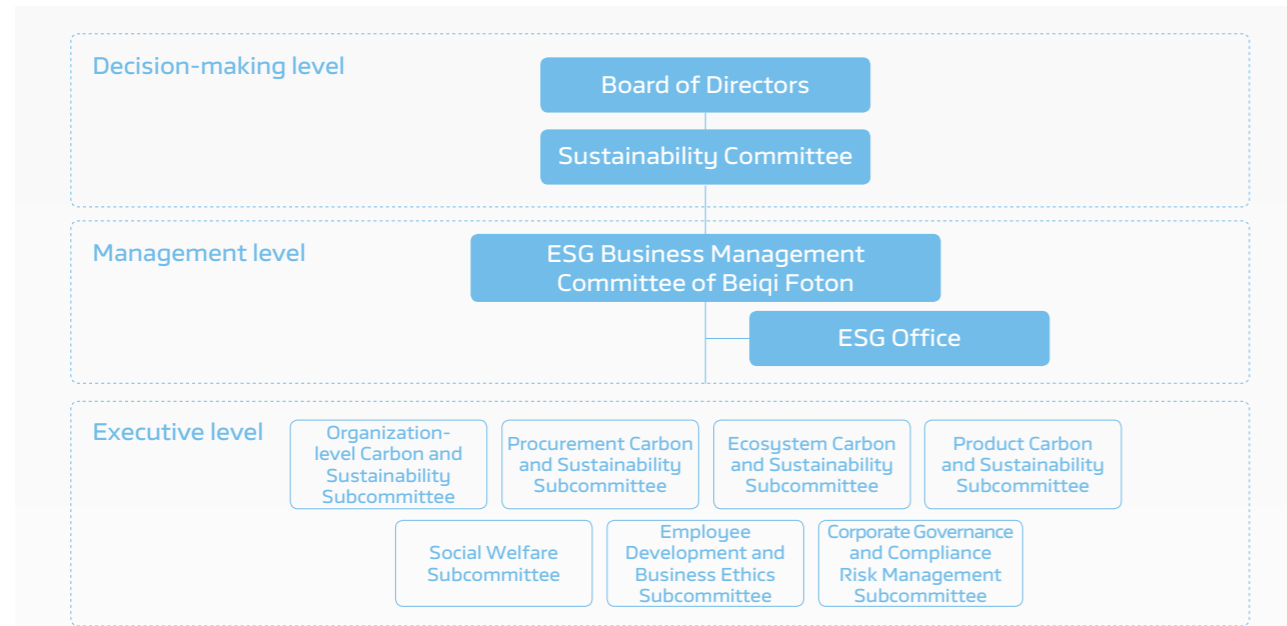
Amid the challenges and opportunities hidden beneath the network, intelligent, shared and electric trend of auto industry and guided by China's 30-60 Decarbonization Goal, Beiqi Foton has established its unique ESG strategy in line with stakeholders expectations, contributing to green transition with its stakeholders and to a more beautiful China of sustainable transportation with Foton strength. Guided by domestic and international sustainability policies, the strategy is built on the analysis of the requirements of the capital market, the expectations of business partners and the practices of counterpart enterprises. Through internal surveys with in-depth interviews, it tries to combine the trends and the deeds, create a link between now and future, and realize the commitment to shared governance, win-win results, joint contribution, and shared benefits with a more open, diverse and inclusive attitude. All in all, we endeavor to be a driver for green energy transition and a guardian of the earth.



Beiqi Foton ESG strategy model

ESG Governance

Beiqi Foton has established a three-tiered ESG Organizational structure that guarantees clear responsibilities and coordination at all levels. We strive to develop a long-term ESG governance mechanism for the sake of efficient collaboration and full participation, thus facilitating the sustainability governance. Meanwhile, we have made the environmental and safety performance the elements of part of the compensation of senior executives to further promote the well-organized implementation of our ESG initiatives.



Board of Directors

- Serve as the highest governing body responsible for ESG management and information disclosure.
- Review and approve the Company's ESG strategic objectives, strategic planning, governance structure, key policies, ESG reports, and disclosure of significant ESG-related information.
- Review and approve major ESG matters, ESG-related risks with material business impact, and coping plan for major ESG adverse events.

Sustainability Committee

- Review the Company's ESG strategic objectives, strategic planning, governance structure, and management policies.
- Track and study ESG-related laws, regulations, and policies, identify key stakeholders and material ESG topics, and conduct research and analysis on business related to material ESG topics before providing recommendations.
- Identify ESG-related risks and opportunities with material business impact and guide the management in implementing appropriate response measures.
- Oversee and evaluate the implementation of ESG initiatives and provide relevant recommendations.
- Review the Company's ESG reports, major disclosure documents, and other major ESG-related matters.
- Handle other matters authorized by the Board of Directors.

ESG Business Management Committee of Beiqi Foton

- Act as the executive body of the Sustainability Committee, as the deliberation and review platform for the Company's ESG/decarbonization initiatives and other major matters, responsible for overall coordination and leadership of ESG work.
- Conduct ESG/decarbonization business strategy reviews, build strategic frameworks, manage strategic objectives, identify and assess risks, as well as advance and coordinate major projects.

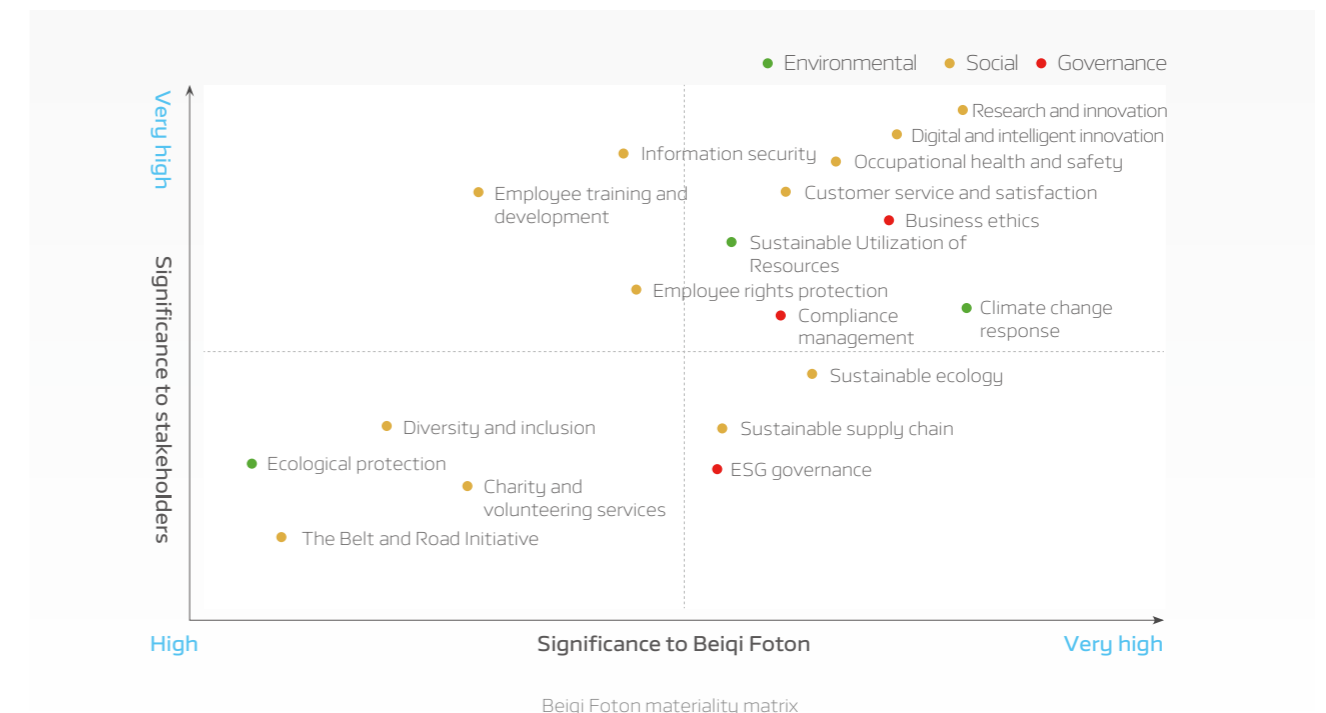
ESG Management Office

- Report ESG work results to the ESG Office on a regular basis.
- Responsible for ESG/decarbonization management (strategic planning, policy study, target setting, business coordination and facilitation, etc.).
- Responsible for ESG daily work liaison, meeting organization and other matters.
- Other ESG matters.

Beiqi Foton ESG Organizational structure and responsibilities









Materiality Analysis

Based on the double materiality assessment methodology and the Company's realities, Beiqi Foton has fully understood the opinions and demands of all parties by collecting stakeholders' points of focus on our sustainable development from the perspective of "impact significance" in line with the steps of "benchmarking analysis - questionnaire survey - result analysis". We carried out the materiality analysis from two aspects: "Significance to Beiqi Foton", "Significance to stakeholders". Accordingly, we draw an ESG materiality matrix to prioritize Beiqi Foton's ESG topics and identify important ones to make key disclosure in the report.



Stakeholder Engagement

Beiqi Foton attaches importance to stakeholders demands and proactively discloses the information concerning its production, operation and sustainable development. We consistently innovate in and expand our communication channels, adopt stakeholders suggestions, and jointly dedicate to sustainable development.

Stakeholders	 Government/ regulators	 Shareholders/ investors	 Customers	 Employees	 Suppliers/ distributors	 Industry/ peers	 Media	 Communities	
Concerns	<ul style="list-style-type: none"> • Response to national development strategies • Compliance management • Tax payment in accordance with the law • Business ethics • Safety and environmental protection • Product quality and safety • Promoting industrial development • Driving local economic and social development 	<ul style="list-style-type: none"> • Business performance • Information transparency • Stable investment return • Market value management 	<ul style="list-style-type: none"> • Product development and innovation • Product quality and safety • Customer service and satisfaction • Information security and privacy protection 	<ul style="list-style-type: none"> • Employee rights protection • Occupational health and safety • Employee training and development • Diversity, inclusion, and equality 		<ul style="list-style-type: none"> • Sustainable supply chain • Supplier empowerment • Responsible marketing • Customer service improvement • Customer service and satisfaction 	<ul style="list-style-type: none"> • Compliance management • Business ethics • Product R&D and innovation • Win-win cooperation • Intellectual property management 	<ul style="list-style-type: none"> • Information disclosure • Media interaction 	<ul style="list-style-type: none"> • Driving local economic and social development • Carrying out charitable and volunteer services
Communication methods and response measures	<ul style="list-style-type: none"> • Information disclosure and submission • Supervision and inspection • Communication with the government and enterprises • Response to regulatory requirements • Developing carbon peak and carbon neutrality strategy, and "EPMES" decarbonization project • Supporting rural vitalization • Support for major events such as China Two Sessions and emergency events • Job opportunities in plants around the country 	<ul style="list-style-type: none"> • Information disclosure • Brokerage Strategy Meeting and Roadshow • Investor/shareholder surveys and engagement • Shareholders' Meeting • Performance briefing • SSE E-interactive platform • Investor hotline and email • Employee stock ownership, repurchase and cancellation 	<ul style="list-style-type: none"> • Customer communication both online and offline • Launch event of "IECO" Brand • Launch event of Foton Cavan Automotive • New product launch event • Increasing research and development • Product quality assurance • Customer satisfaction survey • Information security management system 	<ul style="list-style-type: none"> • Workers Congress • Reception Day with the Labor Union Chairman • Developing talent strategy • The 9th Employee sports meeting • Establishing a talent training system • Creating a diverse and inclusive workplace 		<ul style="list-style-type: none"> • Global partner conference • Supplier contracts and agreements • Supplier audit and evaluation • Green supplier certification • Supplier training and assessment • Distributor transformation training • I-ECO "Intelligence-Ecology" • Worry-free services • Customer satisfaction survey 	<ul style="list-style-type: none"> • Industry communication and exchange • Adherence to business ethics standards • Strategic cooperation with Iveco, Teld, etc. • Formulation of carbon standard of products • Intellectual property management 	<ul style="list-style-type: none"> • Periodic reports and interim announcements • Press conference • Launch events of Galaxy Heavy-duty truck and Caven Lefu van, etc. • Media exchange meetings and interviews 	<ul style="list-style-type: none"> • Supporting rural vitalization • Addressing talent employment problems • Social welfare activities

Pursuing a Smart Future Powered by New Energy and EVs

In 2024

17.6%

R&D staff ratio

717

Valid patents of new energy vehicles authorized in total

54,057

Sales of new energy products

34.98%

New energy growth rate



At the 5th China International Heavy Truck Battery Swapping Industry Conference and China International Battery Swapping Model Industry Conference Beijing Foton was awarded **the 2024 Excellent New Energy Commercial Vehicle Brand**.

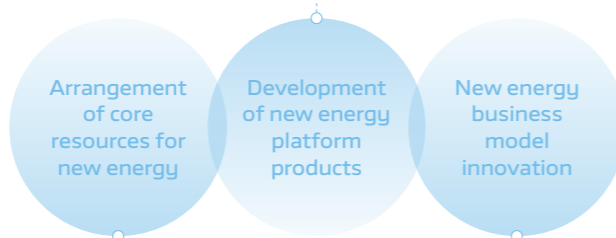
Seizing the global green and low-carbon trend, Beiqi Foton forges ahead with determination and leads the future with a new energy strategy. We also embrace green and intelligent technology, and stimulate product innovation to enhance our core competitiveness. Collaborating with partners, we work to build an excellent business ecosystem and exceed customer expectations for a fruitful future. Together with them, we adopt a sustainable approach to transforming commercial vehicles in the new era and contribute the tremendous strengths of a SOE to realizing China's 30-60 Decarbonization Goal and social development.

Prioritizing the Development of New Energy to Serve a Green Future

Beiqi Foton is the earliest commercial vehicle manufacturer to offer a complete product portfolio with the most diverse technical routes and the widest range of scenarios. We have implemented the new energy 30-50 strategy, maintained our leadership in products and innovative technology, and balanced the three product lines of "pure electric + hybrid + fuel cell." With new energy core modules and key technologies, we have transitioned from oil-to-electric vehicles to new platform products in our new energy product campaigns, leading the industry to go green and low-carbon. By the end of 2024, Beiqi Foton had launched a full range of new energy commercial vehicles from light-duty, medium-duty, and heavy-duty trucks to buses. Our products cover the heavy-duty transport scenarios of urban distribution, mining, ports, urban construction, and fields of special new energy commercial vehicles, such as airports and sanitation.

Shaping Beiqi Foton's new quality productive forces

We develop the "multi-energy sharing platform" technology and develop three intelligent platforms exclusive for new energy mini, light-duty, and heavy-duty vehicles. We strive to create green and intelligent ultimate logistics vehicles that offer new values and meet the needs of urban logistics, urban cluster logistics, and medium, and long-distance logistics. We also meet the future demand for multiple technical routes such as fuel, hybrid, pure electric, and hydrogen fuel.



Based on our technological expertise in vehicle assembly, electric drive, electronic control, power battery, and hydrogen fuel cell, we independently develop and master three core technologies of "battery, electric machine, and electronic control", and realize a comprehensive portfolio of fuel, hybrid, pure electric, and hydrogen energy.

We make systematic business plans in the three major fields of energy consumption, production, and transaction, innovate in new technologies and business models such as rental and sales coordination, vehicle-electricity separation, and vehicle-to-grid, establish a new energy business ecology of "co-creation, co-construction, sharing", and preliminarily build a closed-loop new energy industrial and business system of "vehicle + pile + solar + storage + load + intelligence".

Beiqi Foton New Energy 30-50 Strategy

Strategic vision: Develop green technology to drive a better life

Strategic goal: Increase the share of new energy vehicles to over 50% by 2030
Become a leader in the global green transportation ecosystem by 2050



Technological innovation

"i-ECO drive"
Proprietary, innovative core technology leads future mobility ecosystems

i-ECO electronic control

Based on the scenarios of commercial vehicle operations, we adopt self-developed software and integrate domain-control and zone-control architecture in vehicles.



i-ECO electric drive

Focusing on energy efficiency and high-degree safety, we deliver electric drive solutions tailored to commercial vehicle scenarios

i-ECO battery

Designed with low resistance, fast conductivity, and long-lasting performance, the battery is equipped with a four-layer flame-retardant protection system and an intelligent monitoring and early warning platform that exceeds industry standards.



Hydrogen fuel technology

80-300kW fuel cell system for all platforms and series

We have achieved breakthroughs in the hydrogen circulation system, thermal management, and bipolar plate design based on the low-pressure supply characteristics of liquid hydrogen. We have pioneered the commercial vehicle industry's first high-power, high-efficiency, long-lifespan self-humidifying metal plate hydrogen fuel cell system.



Hydrogen storage system

Driven by whole-vehicle application needs, we have built a portfolio for hydrogen storage systems and their key components and processes. Under our overall plan, we start with joint development and in-house pre-research, gradually acquiring core technologies and full independent development capabilities.



Business model innovation

Win-win cooperation

Beiqi Foton and Tianhai Hydrogen Energy have joined hands to drive innovation in hydrogen-powered commercial vehicles and expand market presence.

Leasing operations

By coordinating across multiple brands, authorizing dealers, and integrating new vehicles, used vehicles, and new energy scenarios, the Company has built a full vehicle lifecycle leasing ecosystem and introduced a new approach to distribution.

Charging stations

Beiqi Foton and Teld have co-founded a new company focused on building heavy-duty truck charging stations and selling EV charging piles globally.

Battery bank

In partnership with Sinochem New Energy, Beiqi Foton has built a battery-swapping station for heavy-duty trucks in Xiong'an.

Used vehicles

Beiqi Foton and PetroChina have launched the first hydrogen refueling station, now in operation.

Vehicle & freight platform

Together with CATL, Beiqi Foton has established a battery bank system that enables full lifecycle battery management through a vehicle-battery separation model.

We have launched the i-ECO used vehicle business.

The Company manages transactions between cargo owners and transport providers, enabling intelligent, efficient, convenient, transparent, and safe freight operations.

Commercialization of new energy technologies



Beiqi Foton has deployed over 3,200 hydrogen-powered commercial vehicles, with cumulative mileage exceeding 120 million kilometers. These vehicles have supported major national and international events, including the Olympic Games and the CPC 100th anniversary celebrations.



Beiqi Foton has developed a range of heavy-duty trucks with charging and battery-swapping capabilities to support carbon reduction and green logistics in high-emission sectors such as steel manufacturing.

Since 2018, Beiqi Foton has taken the lead in the industry and developed the world's first 100kW liquid hydrogen heavy-duty truck. The Company is now developing a new generation of intelligent, connected models featuring a 300kW liquid hydrogen fuel cell system, a safe, reliable liquid hydrogen system, and an all-weather efficient thermal management system.



The new generation of pure electric medium-duty vans, the View i series, has a "modular body" design. It applies the FEEP (Foton Electronics & Electrical Platform) technology independently developed by Beiqi Foton and pioneers the cross-domain control "VICU" technology.



Four models of Beiqi Foton have received the first quantified carbon footprint labels for commercial vehicles. Among them, the pure electric light-duty truck Aumark Zhilan ES1 has a carbon footprint of 190.23gCO₂e/tkm. The pure electric light truck Ollin Zhilan EL has a carbon footprint of 190.72gCO₂e/tkm.

Beiqi Foton has developed the first semi-solid-state battery light-duty trucks. The Foton Aumark Zhilan pure electric vehicle is equipped with this technology, which saves about 30% fuel compared to similar vehicles, with a single range of 400 kilometers.



Upgrading Intelligence to Improve Driving Experience

As the transportation industry shifts toward new energy and intelligent systems, demand for smart and electric vehicles continues to grow. In response, Beiqi Foton drives innovation through a "software + hardware, sensing + algorithms" approach. Built around the "3+2+1+N" framework, the Company's core intelligent driving platform supports for less-manned or unmanned vehicle scenarios. This comprehensive solution accelerates the commercial rollout of autonomous driving technologies to enhance both driving experiences and everyday life.

"3+2+1+N" autonomous driving technology platform

In response to customers' needs for intelligent driving, Beiqi Foton has developed the "3+2+1+N" platform, integrating sensing, sensor fusion, decision-making, control, and simulation testing. The platform supports a wide range of scenarios, including expressway driving, sanitation services, delivery, and urban micro-circulation.

Sensing	Planning and control
Beiqi Foton is the first in the commercial vehicle sector to apply BEV + Transformer large-model technology, significantly improving the system's ability to handle long-tail scenarios. The platform delivers effective sensing at distances beyond 500 meters.	The system leverages optimization-based decision-making and vehicle dynamics-based control, achieving control accuracy within 10 cm and positioning precision under 2 cm. Point-to-point autonomous driving has been realized and reflected in 21 patent applications.



Beiqi Foton's autonomous driving simulation lab conducts testing for Level 2 assisted driving functions such as ACC, LCC, and AEB, as well as algorithm validation and human-machine interaction assessments for Level 3 and above, including highway pilot (HWP) systems.

Application scenarios

Beiqi Foton has made steady progress in autonomous driving. In 2018, the Company obtained China's first road test license for autonomous commercial vehicles. We have built core capabilities in perception fusion, decision-making, control, and system integration, laying a solid foundation for the development of less-manned or unmanned vehicles.

Less-manned scenarios	Unmanned scenarios
<p>京津塘高速公路，全长142.69公里，串联起北京、天津、河北三地，是三地协同发展发展的“黄金通道”。</p>	<p>高速于线点对点自动驾驶 是跨区域高级别自动驾驶的一次重要实践</p>

Beiqi Foton has focused on logistics and developed highway pilot products with functions such as automated ramp entry/exit, autonomous lane changes, intra-lane obstacle avoidance, and intelligent cruise control. These technologies have reduced safety incidents by 67% and improved fuel efficiency by 3% to 5%. By enabling single-driver operation where two were previously required, the solution also lowers operational costs.

Beiqi Foton has independently developed a range of unmanned vehicles, including sanitation trucks, delivery vans, express vehicles, and autonomous minibuses for urban micro-circulation. So far, intelligent unmanned sanitation and delivery vehicles have been produced and put into operation in cities such as Beijing, Weifang, and Zhucheng. Our autonomous minibuses have been granted a test license in Beijing's High-level Autonomous Driving Demonstration Area and supports L4 capabilities such as traffic light recognition, intersection negotiation, pedestrian yielding, obstacle avoidance, and parking in open urban environments.

Commercial deployment of autonomous driving

Cases in the commercialization of Beiqi Foton include the launch of hydrogen-powered autonomous heavy-duty trucks on the Jingjintang Expressway, a fleet order of 200 highway pilot (HWP) trucks by ZTO Express, and the deployment of unmanned sanitation vehicle.

Case

From breakthrough to commercialization — Beiqi Foton's trucks



Since launching China's first intelligent connected truck in 2016, Beiqi Foton has remained at the forefront of commercial vehicle intelligent connecting, evolving from testing to commercialization. In 2024, Beiqi Foton published 500 L2+HWP autonomous trucks, delivering over those to delivery companies for expressway scenarios. These vehicles have accumulated more than 15 million kilometers of total mileage, covering over 100 routes and over 10,000 trips.



Case

Beiqi Foton's smart sanitation solution

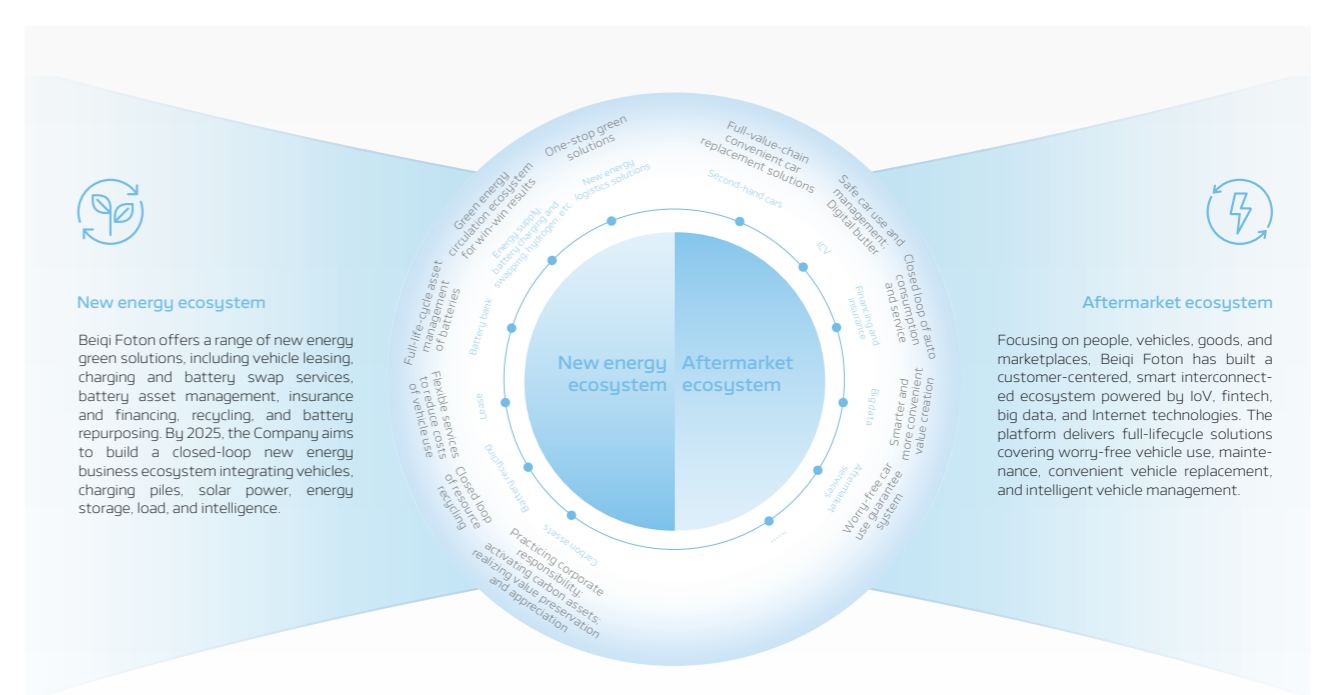


Beiqi Foton has made intensive efforts in smart sanitation innovation, becoming one of the first companies in the industry to roll out an intelligent sanitation vehicle solution. So far, in cities including Beijing, Chongqing, and Hengyang, we have deployed 31 autonomous sanitation vehicles featuring full-scenario, routine operations. These vehicles help customers reduce operational costs and improve efficiency, supporting local governments in setting benchmarks for intelligent urban services.



Reshaping the business ecosystem and innovating the business model

Beiqi Foton is committed to fostering a sound business ecosystem and offering better-than-expected experiences. Guided by a customer-centered philosophy and given customers' needs during the product lifecycle, the Company has developed a comprehensive service framework consisting of new energy, aftermarket support, and full-scenario services. In the new energy ecosystem, Beiqi Foton drives green transformation through technological innovation and supply chain collaboration. Our aftermarket ecosystem adds value through maintenance, financing, and digital operations, enhancing customer loyalty. By integrating online-offline "people, vehicles, goods, and marketplaces" system, Beiqi Foton has built an efficient smart ecosystem that facilitates the whole process from product delivery to scenario-based operations. This seamless approach enables intelligent logistics solutions for customers. Through the synergy of our three major ecosystems and resource sharing, Beiqi Foton not only enhances user experience across the product lifecycle but also delivers added value through precise, scenario-driven innovation models, empowering customers and partners for shared success and fulfilling our promise to exceed expectations.



Beiqi Foton's business ecosystem



In December 2024, Beiqi Foton officially released the i-ECO ecosystem brand. i-ECO's "smart ecosystem" business focuses on five categories: energy, leasing, intelligence, repair, maintenance and spare parts, and second-hand cars, providing customers with full-scenario energy service.

Seeking Transition via Innovation and Expanding Business Overseas

In 2024

153,000 vehicles

Export of commercial vehicles

17%

Beiqi Foton's market share in China's commercial vehicle exports

No.1

Overseas sales of commercial vehicles ranking first in China for the 14th consecutive year

139

Market coverage (countries and regions)

60+

Market coverage of new energy products (countries and regions)

In 2024

1,000+

Overseas sales networks

1,200+

Service networks

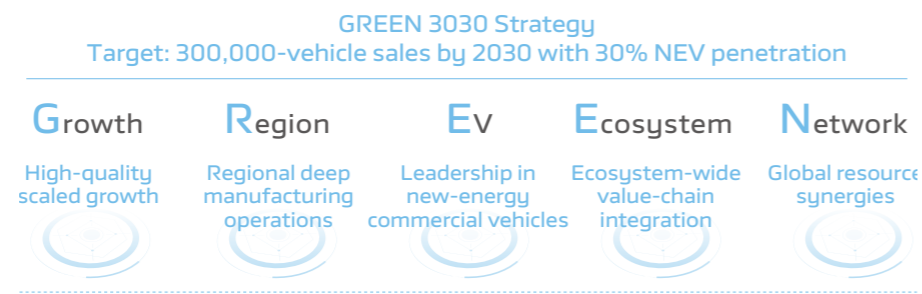
22

Overseas KD factories completed

At the historical juncture of the Belt and Road Initiative and the global energy transition, Beiqi Foton contributes to global sustainability by working with partners for win-win outcomes. Guided by our international strategic roadmap, the Company accelerates the development of green, low-carbon technologies while enhancing the application of digital innovation. Supported by industrial synergy and business model innovation, Beiqi Foton continues to deepen partnerships with BRI countries and those in Europe, Africa, and Southeast Asia, injecting fresh momentum to regional prosperity and making every mile of the future much better.

Laying strategic foundations for a new chapter

Capitalizing on the fourth window of opportunity created by the global low-carbon economy and energy transition, Beiqi Foton has launched its "GREEN 3030 Strategy," leveraging its economies of scale, first-mover advantage in new energy, and ICV ecosystems. The strategy adopts a dual-track industrial synergy model—strengthening foundational technology ecosystems while revolutionizing energy service systems—and embeds digital twin technology and carbon neutrality principles into the co-creation of green transportation paradigms with global partners. This approach transcends traditional "going global" by elevating Chinese manufacturing and innovation on the world stage, redefining standards for independent commercial vehicle brands.



Full-industry-chain synergies for a stronger foundation

Beiqi Foton has made great efforts to boost localization and extended its value chain towards Thailand, Indonesia, Brazil, Mexico, South Africa, and India. By building joint ventures and transferring technologies, we fully leverage regional workforces and resources in the construction of efficient supply networks that upgrade local industries, create cross-border cluster effects, and drive synergies in the ecosystem. Ultimately, this will accelerate regional economic integration and the worldwide transition to green transportation.



The completion of Beiqi Foton factory in Bangkok, Thailand, and the rollout of the 1 millionth overseas vehicle, marks the successful strategic upgrade of Beiqi Foton from "product export" to "the completion of an international industry chain," further deepening synergies in the regional ecosystem.



Beiqi Foton has gained access to the Japanese light truck market and completed the terminal trial stage, taking a new step in opening the overseas high-end market.



Beiqi Foton's product obtains the EU WVTA certification.



Since 2018, Beiqi Foton has established a strategic partnership with Italy's Piaggio SpA. The light commercial vehicle project jointly developed by the two parties has become the best-selling mini-truck product in the European market.



Beiqi Foton and IVECO signed a Memorandum of Understanding (MoU), agreeing to jointly develop electric van models. Supported by IVECO's sales network, the partnership aims to expand into the European and South American markets while exploring opportunities for localized production and supply chain collaboration.

Joining Hands for a Better Future

With outstanding product performance and scenario-based customized services, Beiqi Foton has earned global recognition and trust from markets and consumers worldwide. Additionally, the Company has actively participated in major international events, such as providing livestreaming support for the 34th Africa Cup of Nations (2023) and sponsoring the Súper Cup Roshfrans 2024, contributing to local sports, education, and social development. To further strengthen global engagement, Beiqi Foton has invited overseas dealers and customers to China through initiatives like the "Foton Chief Experience Officer (CEO) Tour," allowing them to witness China's industrial strength and Foton's brand evolution while experiencing world-class intelligent manufacturing. Through these "going global" and "bringing in" initiatives, Beiqi Foton continues to enhance its international presence, helping overseas customers better know, understand, and trust the Foton brand.



Beiqi Foton invites 200 clients and dealer representatives from 40 countries, including Spain, South Africa, and Columbia, to experience its technological innovation and high-quality products.



Innovative Foton — Securing More Resilient Sustainability

Beiqi Foton is committed to building a modern corporate governance system for SOEs with Chinese characteristics and embedding Party leadership in our governance DNA. To this end, we strictly adhere to the bottom lines of compliance, form a high dense network against risks, and abide by business ethics. We work to standardize corporate governance, and consolidate the cornerstone of governance, forging ahead in the new round of SOE reform. Aiming for a world-class enterprise, we demonstrate the governance efficiency of the modern SOE with Chinese characteristics.

Our Performance:



100%

Compliance communication coverage rate

100%

Integrity, anti-commercial bribery and anti-corruption training coverage rate

A-level information disclosure rating among listed companies on the Shanghai Stock Exchange



Our contributions to UN SDGs



Enhancing Party Building

Upholding the Party's leadership and strengthening Party building are the "root" and "soul" of state-owned enterprises (SOEs). Therefore, Beiqi Foton consistently follows the guidance of Party building in promoting corporate development, while fully studying and implementing Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the guiding principles from the 20th National Congress of the Communist Party of China (CPC). The Company has reinforced primary-level Party organizations, integrated Party building efforts with business operations, and rigorously improved Party conduct and built integrity. Guided by high-quality Party building, we drive forward our vision to become a world-class commercial vehicle manufacturer.

Strengthening ideological foundation

Consistently adhering to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company has reinforced ideological leadership while firmly maintaining its political stance. We have deepened our study of the Party's theories and fully integrated them into our corporate culture. This approach continuously enhances our external image and brand reputation while building ideological momentum for our "second entrepreneurship" campaign.

Ideology strengthening

- **Deepening study and comprehension of the Party's theories.** In full compliance with all plans and requirements from the CPC Central Committee and higher-level Party committees, we organized 13 expanded study sessions of the Party Committee's theoretical study central group, covering 41 learning topics. These initiatives have further consolidated ideological unity and forged consensus for development.
- **Developing Foton's sustainable development philosophy.** Guided by our long-term vision of building a "Centennial Foton" and centered on the strategic mission of "Second Entrepreneurship," we have established the "Beiqi Foton Sustainable Development Philosophy." This framework comprises three core dimensions: First, our epistemological foundation of "doing good deeds to benefit hundreds of millions of people." Second, our methodological approach of being "customer-centered, market-guided, and development-focused." Third, our practical philosophy of "turning the impossible into possible, the possible into reality, and the reality into excellence." Together, these elements form an integrated system that strengthens our commitment to sustainable development.

Corporate culture

- We have launched a comprehensive upgrade of our "Lead the Future" cultural branding campaign. As part of this effort, we introduced the "A Journey to Hunt for Future Pioneers" initiative, created our first original interview livestream program *Face to Face with Future Pioneers*, released our cultural anthem *For Excellence Together*, and appointed two groups of "Cultural Ambassadors." Notably, the anthem received the Gold Award for "Most Beautiful Corporate Voice" at the 2024 Conference on Corporate Party Building and Corporate Culture Hosted by the China Culture Administration Association. With over 10.222 million engagements, the campaign has significantly enhanced our brand visibility and reputation across BAIC Group and the industry.

Internal communication

- Focusing on our central tasks and strategic priorities, we have utilized "short video + livestreaming" formats to generate substantial traffic, thereby enhancing the timeliness, effectiveness, and impact of culture in supporting business operations. Throughout 2024, our campaigns achieved over 14.3 million engagements. Furthermore, by developing an integrated communication matrix and partnering with secondary platforms to establish a "1+" macro-communication system, we have built multidimensional outreach capabilities. This has effectively guided all employees in practicing our new cultural values and advancing high-quality development.

External communication

- In 2024, we executed over 30 targeted communication campaigns aligned with our annual and quarterly objectives, integrating national trends, social issues, and corporate news. We published nearly 100 original articles, with key topics such as "new quality productive forces" and "hydrogen-powered autonomous heavy trucks" featured multiple times on CCTV's flagship *News Simulcast* ("Xinwen Lianbo"). These high-profile placements generated billions of impressions, effectively showcasing Beiqi Foton's industry leadership and significantly enhancing our corporate reputation.



Strengthening primary-level Party organizations

Beiqi Foton has developed well-structured Party building plans while creating a distinctive Party building brand to provide clear direction for relevant initiatives. The Company actively promotes the deep integration of Party building and business operations, and strengthens the assessment and evaluation of primary-level Party organizations to continuously enhance their cohesion and capabilities.

Enhancing Party building planning

- We have released the *Beiqi Foton "Entrepreneurial" Party Committee Three-Year Party Building Action Plan (2024-2026)*. Aligned with our corporate vision to "become an international enterprise with leading green technology and market shares," we strive to advance high-quality "secondary entrepreneurship" under the guidance of high-quality Party building.

Promoting the integration of Party building and business operations

- We have innovatively explored new models for establishing Party organizations in key business areas. Guided by the principle of "staying close to the marketing frontline and driving deep integration," we have "established Party branches directly within frontline marketing units." This initiative ensures alignment between Party-building and business objectives, rational resource allocation, an enhanced vanguard role for Party members, and stronger team morale and cohesion.

Develop the Beiqi Foton Party building brand

- In June 2024, we officially launched our Party building brand "Red Diamond Vanguard, China's Strength," accompanied by its logo, official interpretations, and the "one core, four pillars" system. The launch package also included promotional videos, brochures, and standardized branding materials for Party activity centers. All materials have been distributed to Party committees of secondary units, marking the formal commencement of the brand's promotion and implementation phase.

Supporting the development of primary-level Party organizations

- The Party Committee has implemented the annual "core index" evaluation, emphasizing three key principles including precision in evaluation, value-driven orientation, and strengthened incentives, while enhancing the practical application of evaluation results. In addition, it has efficiently coordinated activities related to the "July 1st" commendation conference and the "two teams" initiative, and reinforced training effectiveness. A Party building retrospective film has also been produced to systematically review and summarize our Party building work, with significant communication impact achieved.



The Party Committee of Beiqi Foton celebrates the 103rd Anniversary of the Founding of the Communist Party of China and holds the "July 1st" commendation conference.



The Party Committee's theoretical study central group holds an expanded meeting and 2024 strategy seminar.

Improving Party conduct and building integrity

Beiqi Foton has thoroughly studied and implemented Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, while exercising full and rigorous Party self-governance. Through mechanisms such as the *Complaints and Reports Management Measures*, *Joint Oversight Management Measures*, and *Accountability System for Leading Officials*, we have developed a sound anti-corruption system covering employees, suppliers, dealers, service providers, and other parties, which is based on a combination of investigation and punishment, supervision and prevention, as well as integrity education. Meanwhile, we have taken coordinated steps to ensure that officials do not have the audacity, opportunity, or desire to become corrupt. These measures have maximized the deterrent effect and effectiveness of anti-corruption governance, enabling us to foster a steadily strengthening integrity ecosystem.

Political oversight	Focusing on the consistent implementation of decisions and plans of the Company's Party Committee, we conduct concrete, targeted, and regular political oversight while enhancing its standardization and effectiveness. We resolutely oppose and penalize all negative factors hindering our high-quality development.
Joint oversight	Adopting a problem-oriented approach, we focus on key areas and critical processes, and closely monitor pivotal stages in policy and procedure implementation to "proactively address risks at the source and prevent issues before they emerge." We have also enhanced the joint oversight mechanism to ensure supervisory accountability, thereby strengthening checks and balances on authority and ensuring strict adherence to policy implementation.
Integrity education	Centered on the "tone at the top" and "eternal vigilance," we have leveraged typical cases from daily operations to develop a mechanism of "using cases to illustrate discipline, law, and accountability." We have further enhanced the combination of routine and intensive disciplinary education, and designed accessible, diverse, and easily disseminated integrity campaigns to improve audience engagement and foster genuine participation.

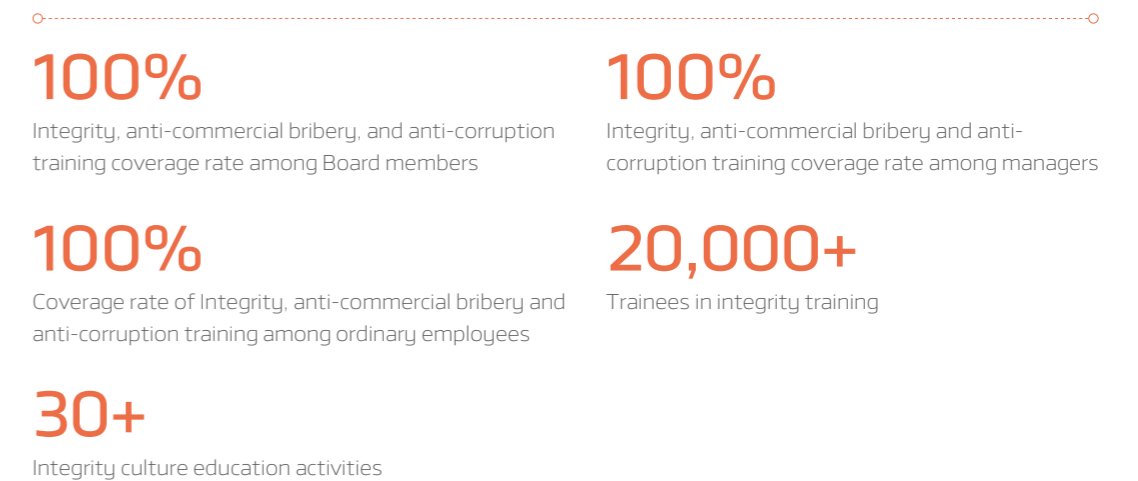


Beiqi Foton holds a special Party lecture on discipline education.

Fostering an atmosphere of integrity

The Company has further improved integrity policies while actively conducting awareness initiatives such as the integrity education season and relevant training programs, as well as regular ethics alerts. These efforts help reinforce moral foundations in workplace conduct, establishing bottom-line thinking and strengthening red-line awareness among all personnel. In 2024, we conducted the case-featuring warning education conference, "Top Leadership," "Voice from Team Members," and specialized integrity training for high-risk business areas and sensitive positions. We also established Party branch "one-square-meter" integrity centers, and organized a series of family integrity cultural activities. By significantly diversifying both content and delivery methods for ethics education, we have laid a solid foundation for enhancing all employees' integrity awareness.

In 2024



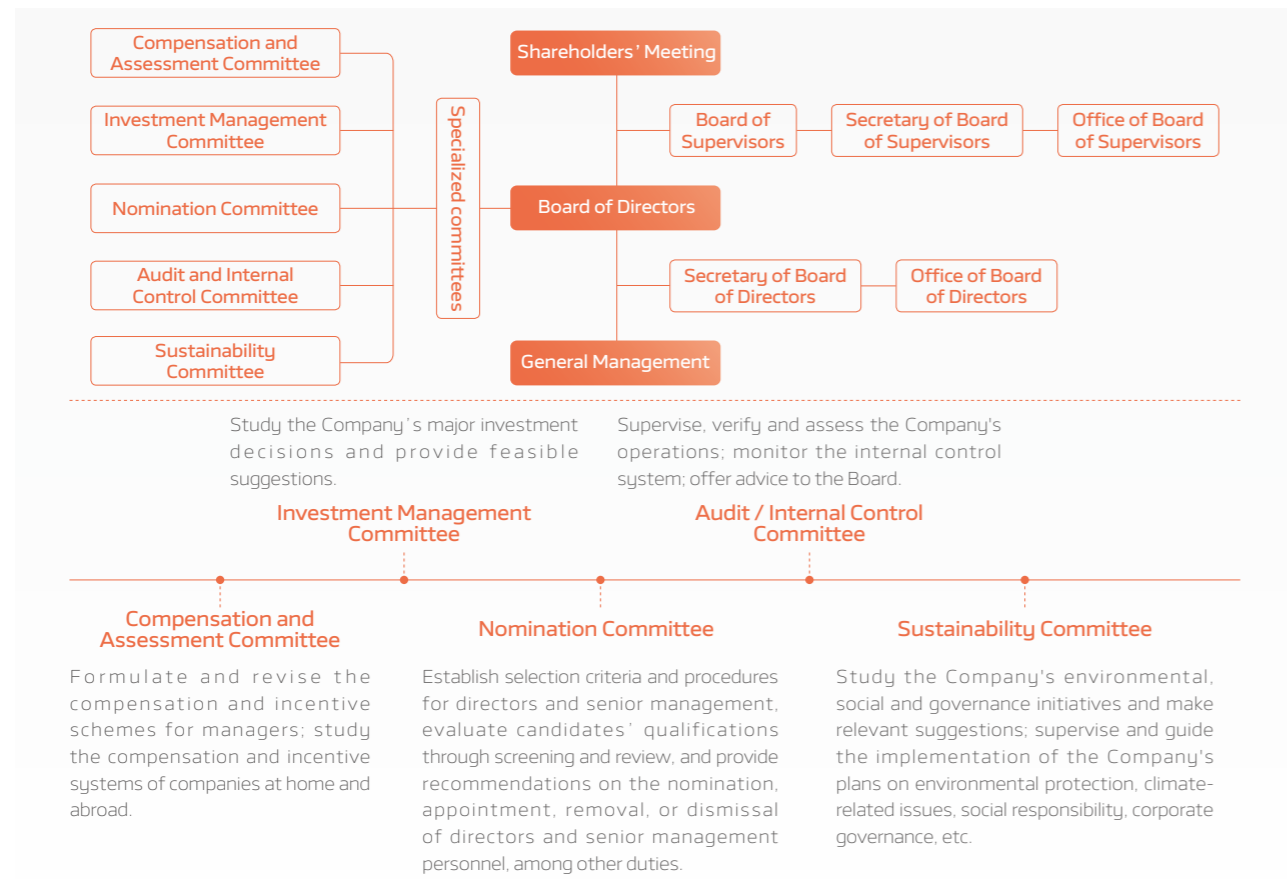
Fortifying Corporate Governance

Dedicated to building an excellent corporate governance system, Beiqi Foton comprehensively optimizes our governance structure and continuously improves the accountability and expertise of our senior management team while enhancing investor rights protection. Those initiatives have consolidated our governance foundation on all fronts, guaranteeing the Company's steady progress amongst global competition and further leading the industry towards a more sustainable future.

Sounder governance structure

In compliance with Chinese laws and regulations, normative documents, and the requirements of regulatory authorities, such as the *Company Law*, *Securities Law*, *Code of Corporate Governance for Listed Companies*, *Notice on Promulgation of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, we have established our internal control system and management regulations, as well as the governance structure featuring the Shareholders' Meeting, Meeting of Board of Directors (the Board), Meeting of Board of Supervisors, and the General Management. A well-organized governance structure is established at Beiqi Foton with the Shareholders' Meeting as the authority, the Board as the decision-making body, the general management as the executive body, and the Board of Supervisors as the supervisory body. Under the Board of Directors are specialized committees that act as professional advisory bodies and decision-making participants, including the Audit and Internal Control Committee, the Nomination Committee, the Sustainability Committee, the Compensation and Assessment Committee, and the Investment Management Committee.

Diverse in composition, the two boards are effectively checked and balanced by controlling shareholders, strategic minority shareholders, independent directors, general management and employee representatives. Therefore the legitimate rights and interests of all shareholders are balanced and protected, so are the rights and interests of minority ones. As required by relevant regulations, Beiqi Foton's major decisions are all examined by the State-owned Assets Supervision and Administration Commission of the State Council and controlling shareholders, reviewed by the specialized committees under the Board, and checked by the Board of Supervisors, and then approved by the Board, Board of Supervisors and Shareholders' Meeting. In 2024, the Company held 20 Board meetings, 9 meetings of the Board of Supervisors, and 24 meetings of the specialized committees (9 for the Audit and Internal Control Committee, 12 for the Nomination Committee, 1 for the Compensation and Assessment Committee, and 2 for the Investment Management Committee).



Beiqi Foton organization chart

Note: On February 26, 2025, the Board of Directors reviewed and approved the renaming of the "Nomination and Governance Committee" to "Nomination Committee."

In 2024

11

Board members

Including

27%

Directors nominated by major shareholders

9%

Directors nominated by strategic minority shareholders

37%

Independent directors

27%

Internal directors

Including

9%

Employee directors

9%

Female directors

In 2024

73%

External directors

66.7%

External supervisors

100%

External directors in the Compensation and Assessment Committee

Board diversity

The Company proactively promotes the diversity of the Board of Directors and the Board of Supervisors, ensuring their varied composition in terms of gender, expertise, and industry experience. This enables board members to contribute broader perspectives and deeper insights to the Company's development through their diverse viewpoints.

The current Board of Directors comprises 1 female independent director with an accounting/finance background, 4 directors specializing in automotive, 1 in economics/management, 1 in finance, 2 in legal affairs, 1 in corporate management/capital operations, and 1 with expertise in auto components.

The 11 directors and 9 supervisors enrich our Board of Directors and Board of Supervisors with multifaceted professional backgrounds, and provide the Company with diverse perspectives and insights while delivering comprehensive, specialized decision-making support. Their professional profiles are detailed in the "Directors, Supervisors, and Senior Management" section of the Corporate Governance chapter in the 2024 Annual Report of the Company.

Board independence

The Company's 11-member Board of Directors consists of independent directors, directors nominated by strategic minority shareholders, directors nominated by major shareholders, and internal directors (including 1 Chairman, 1 General Manager, and 1 employee representative director), forming a fully functional team with effective checks and balances. Among them, 4 independent directors serve on specialized committees (3 chairing the Compensation and Assessment Committee, the Audit and Internal Control, and the Nomination Committee, respectively), and all members of the Compensation and Assessment Committee are external directors. In addition to 3 employee representative supervisors (including the Chairman of the Board of Supervisors), the 9-member Board of Supervisors also include 1 supervisor nominated by major shareholders and 5 supervisors by minority shareholders. All of them collectively ensure robust independent oversight and supervision functions of the Board of Supervisors.

In 2024, in compliance with the requirements for the independent director system reform, the Company amended relevant documents, including the rules of procedure for specialized committees, the Articles of Association, and the Independent Director Work System. Through self-assessments on the independence of independent directors, we ensured their compliance with qualification requirements. The independent directors convened dedicated meetings as stipulated and actively fulfilled their responsibilities by participating in meetings held by specialized committee, fully leveraging their three key roles as decision-making participants, supervisors of checks and balances, and professional consultants.



In 2024, Beiqi Foton won the Board of Directors Value Creation Award in the 19th "Gold Prize of Round Table" of Chinese Boards of Listed Company held by the Directors & Board magazine.

In 2024, Beiqi Foton was honored with the "Best BoD Office Practice Case for Public Companies" award by the China Association of Public Companies (CAPCO).

In 2024

17

Training sessions attended by our company directors and supervisors

14.5

hours/person
Average training time of directors and supervisors

Improvement of duty-performing ability

The Company prioritizes strengthening the governance competencies of Board directors and supervisors through sustained professional training and field research. We reinforce compliance-centered governance foundations and enhance strategic decision-making capabilities, thereby establishing a multidimensional development system for directors and supervisors.

In 2024, the Company organized directors and supervisors to participate in various high-quality training programs. Through professional platforms such as the Beijing Securities Regulatory Bureau, Shanghai Stock Exchange, and Listed Companies Association of Beijing, we provided training on key laws and regulations, such as the *Company Law*, *Administrative Measures for Independent Directors of Listed Companies*, *Interim Measures for Administration of Shareholding Reduction by Shareholders of Listed Companies*, *Administrative Regulations on Listed Company's Directors, Supervisors and Senior Managers' Shareholding and Changes*, and *Self-Regulatory Guideline No. 15 for Listed Companies—Shareholding Reduction by Shareholders, Directors, Supervisors and Senior Management*. Specialized training sessions were also held on investor relations management, integrity building, and market value management. In addition, a series of internal business training sessions were conducted to effectively enhance the professional competencies of directors and supervisors to ensure the scientific rigor and compliance of their governance practices. Notably, Independent Director Li Ya, serving as a guest lecturer for the Listed Companies Association of Beijing, delivered training on "New Quality Productive Forces and High-Quality Development" for listed companies in Beijing.

To enhance their engagement methods and deepen their oversight, the Company's directors and supervisors visited Foton Cavan Automotive and the Company's testing center (X Lab), conducted a field study at shareholder Shougang Group, and participated in test-driving L4 autonomous AUV buses. These activities have provided a more intuitive, in-depth perspective on the Company's business strategy, technological innovation, and industry trends, strengthening its science-based decision-making. In addition, the Company arranged for independent directors to conduct on-site inspections and engage in discussions with the auditing firm, while providing timely updates on operational performance and key developments. These measures have effectively upheld the independent directors' right to information and reinforced support for their duties. (For details, please refer to the concurrently disclosed independent directors' report.)

Executive compensation and performance evaluation

The Board of Directors approves the annual performance evaluation framework for senior management. Concurrently, executive compensation is linked to ESG metrics, including work safety (e.g., workplace accidents, occupational disease incidents) and environmental protection (e.g., pollution incidents, regulatory penalties). This linkage strengthens the structured implementation of ESG initiatives.

Implementation of the three major governance systems

The Board Office oversees three key functional areas, comprising corporate governance, information disclosure, and market value & securities operations. It has established three major governance systems: the Board affairs system, the information reporting system, and the market value management system. These systems are supported by personnel from the Company's business divisions, functional departments, and subsidiaries. They serve as critical mechanisms for subsidiary governance and oversight, as well as channels for timely access to sensitive material information and key operational highlights.

In 2024

23

members
Board affairs system

55

members
Information reporting system

33

members
Market value management system

In 2024

86

million shares
Repurchased and canceled

298

million yuan
Equivalent to cash dividends

4

Performance briefings

35

Roadshow and promotional events

17

Field surveys by shareholders and investors

Around 170

Investor calls

330

Inquiries answered on SSE E-interactive platform

100%

Response rate

Protection of investor rights

In line with the investor-oriented idea, Beiqi Foton strives to build a long-term, stable and sustainable shareholder value return mechanism. Taking into account such factors as industry features, business model, development stage, profitability level and capital needs, the Company has established a relatively stable and continuous profit distribution policy, and included mid-term profit distribution into our *Articles of Association*. From January 2023 to January 2024, the Company completed the Phase III share repurchase. In October 2024, all repurchased shares totaling 86 million (worth 298 million yuan) were canceled, equivalent to cash dividends worth 298 million yuan.

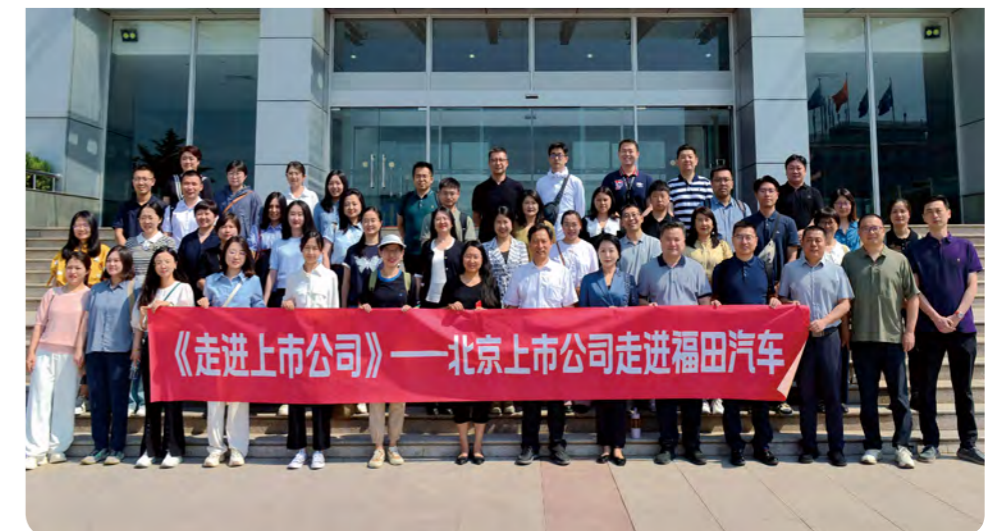
Beiqi Foton is fulfilling its responsibility to protect the rights and interests of its investors. The Company has established a multi-channel, multi-platform and multi-mode communication mechanism with investors. We encourage shareholders to involve in corporate governance, and disclose transparent and effective information in time to help all shareholders obtain relevant valuable information.

Case

Beiqi Foton hosts the "Empowering High-Quality Development of Listed Companies with New Quality Productive Forces" event



On June 26, 2024, Beiqi Foton hosted the "Empowering High-Quality Development of Listed Companies with New Quality Productive Forces" event organized by the Beijing Securities Regulatory Commission and Beijing Association for Public Companies. The event recorded over 60 attendees, including senior executives, board secretaries, and securities representatives from listed companies in Beijing, and media representatives from Securities Daily. The Company arranged visits to Beiqi Foton's IoV big data platform and testing center, and shared and exchanged insights with attendees on how new quality productive forces empower the transformation and upgrading of traditional enterprises. Attendees also discussed practical cases, showcasing how digital process transformation can drive high-quality development.



A Close Look at Listed Companies - Listed Companies in Beijing Beiqi Foton.

Enhancing Risk Prevention and Control

In 2024

100%

Review rate of enterprise rules and regulations

100%

Legal review rate of enterprise contracts

42 hours

Total compliance training hours

4 hours

Executive compliance training hours

38 hours

Ordinary employee compliance training hours

100%

Compliance culture dissemination coverage rate

Compliance and risk control are the core of Beiqi Foton's operation and management. The Company has established a sound compliance system to ensure all its business activities meet legal requirements. In the meantime, we have built the "Three Lines of Defense" risk management architecture and integrated it into all sectors to rationalize, standardize and effectuate our risk control work.

Compliant operation

Stronger compliance competitiveness is foundational for enterprises to implementing modern governance. It is also a soft power for them. Committed to being a world-class enterprise with global competitiveness, Beiqi Foton is moving faster to improve its compliance management. Targeting key areas, the Company is carrying out down-to-earth compliance initiatives regarding its organizational system, institutional system, operating system, guarantee system, and cultural system, contributing to its high-quality development with a solid compliance foundation.

Organizational system	<ul style="list-style-type: none"> We have established the "1511N" compliance management working mechanism, issued the Notice on Clarifying the Duties of Compliance Functional Committees, and introduced vertical supervision over key business sectors according to business lines.
Institutional system	<ul style="list-style-type: none"> We have established three fundamental systems, including the Code of Compliance, Compliance Management Measures and Compliance Reporting Measures, and formulated the Compliance Management Guideline. We have formulated the Detailed Rules to Manage Conflict of Interest to clarify the responsibilities of each unit in terms of conflict of interest management.
Operating system	<ul style="list-style-type: none"> We have prepared compliance risk identification and control lists for 12 major business sectors, and required management personnel to sign compliance commitment letters to keep compliance risk at bay. We have optimized partner compliance risk management, and can automatically screen the compliance risk of overseas entities based on the third-party database. We have strengthened the compliance management of external communication, and conduct regular supervision and inspection. We have enhanced data compliance management to ensure data is collected, used and transmitted legally.
Cultural system	<ul style="list-style-type: none"> We have updated the Compliance Proposal, and promoted it by means of OA, commercial videos on buildings, etc. We have issued four sessions of "Beiqi Foton Compliance Email" across the board to convey our compliance requirements. We have released 12 legal compliance updates to publicize the latest legal information and typical cases. We also held multi-level compliance training sessions, including one executive training, one compliance engineer training, four business personnel compliance training sessions, one Compliance Week campaign, one Fair Competition Week campaign and one "12.4" Constitution Week campaign, with over 15,000 participants in total.
Guarantee system	<ul style="list-style-type: none"> We have selected 102 compliance engineers in the second session to form a compliance team, and designated 24 compliance leaders in each unit to ensure compliance initiatives are managed and effectively executed.

Risk control

Beiqi Foton is continuously optimizing its risk control system. Giving thought to the sustainability risks concerning the environment, society and governance, the Company works to establish a sound risk control system and an organizational structure, and keeps optimizing relevant processes to improve its operation and management as well as risk prevention capability, paving the way for its sustainable development.

Risk management system

Beiqi Foton has established the "1 + N" risk control system. Based on our Enterprise Risk Management Rules and the real business situation, business and functional departments embed financial standards, rules, and bottom lines into business processes in line with the principle of business-finance integration. We also conduct across-the-board supervision, and ensure regular supervision of internal audits. All affiliated units and operational segments are under full control. Annual audits are for key business sectors, and triennial audits for other sectors.

Risk management organization

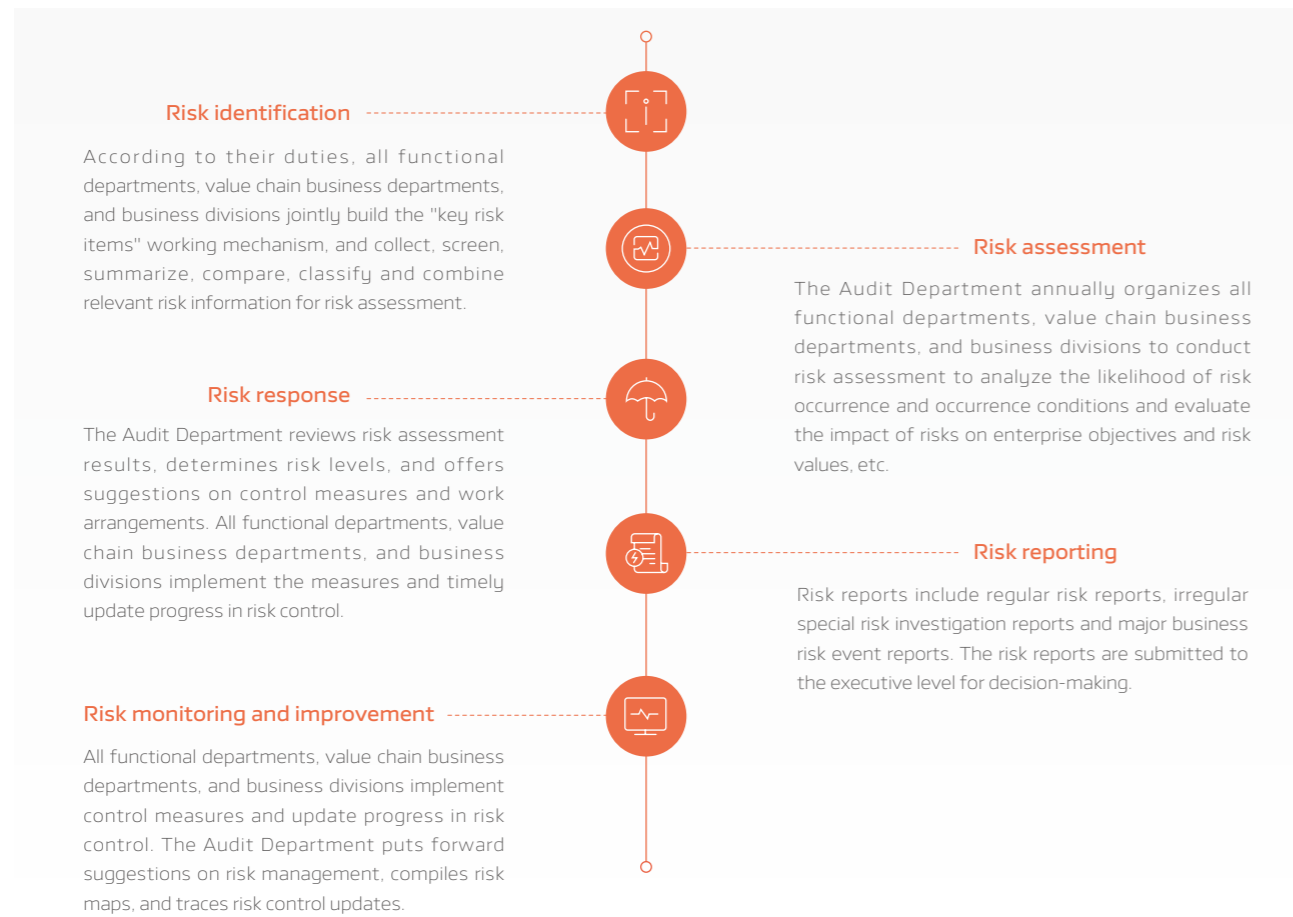
Beiqi Foton has established a Legal and Compliance Management Committee and established a risk control model with unified leadership, hierarchical responsibility and classified management as well as a organizational structure for enterprise risk management(ERM) to ensure full and accurate execution. Built on this, we have developed a "Three Lines of Defense" risk management mechanism and deepened collaboration between our business and financial teams to safeguard the Company's stable operation and sustainable development.



"Three Lines of Defense" ERM mechanism

Risk management process

Beiqi Foton works to develop a long-term risk management mechanism. The Company has established a risk control system covering identification, assessment, response, reporting, monitoring and improvement. Giving full play to the value-driven role of business-finance integration, we embed ERM deeply into business processes, and establish a comprehensive risk prevention and control system across the entire value chain to effectively enhance our capabilities in risk identification, early warning, and response, thus ensuring that our ERM is carried out in an orderly and effective manner. Our focus on emerging risks in 2024 included market risk, supply chain risk, policy and technology risk, and exchange rate risk.



Business-finance integration

Leveraging process transformation as an opportunity, Beiqi Foton has strengthened business-finance integration to drive financial system process improvements. By restructuring the cost management system, we aim to deliver robust decision-making support for business development, enable high-quality growth while ensuring effective risk control and compliance in operations

Value management system	Industrial chain financing	Digital transformation of financial processes	Product cost control
Zero-based budgeting (ZBB) cost management system Value assessment system	Procurement to payment Order to remittance Capital data platform	End-to-end business-finance process integration Integration of business and financial data	Component cost model Product whole-lifecycle cost management

Beiqi Foton 's key initiatives in business-finance integration

Upholding Business Ethics

Upholding business ethics, Beiqi Foton is operating with higher standards, and strictly abides by laws and regulations against unfair competition, monopoly, bribery, extortion, fraud and money laundering, etc. The Company endeavors to foster a clean and upright working atmosphere by means of promoting systematic development, optimizing the multi-faceted supervision and review system, and improving complaint and reporting mechanisms.

Anti-monopoly

In strict accordance with Chinese laws such as the *Anti-Monopoly Law*, Beiqi Foton has issued a number of administrative documents including the *Anti-Monopoly Compliance Risk Assessment and Control List and Key Position Compliance Management Duties* to identify and evaluate potential anti-monopoly risks. We have selected typical anti-monopoly cases, summarized experience and carried out risk investigations, with improvement suggestions provided. Meanwhile, we have carried out anti-monopoly law training, and organized the 2024 China Fair Competition Policy Publicity Week and other activities to improve employees' anti-monopoly and legal awareness. We are collaborating with government departments in anti-monopoly supervisions to ensure legal and compliant operations.



Beiqi Foton anti-monopoly law training

Anti-money laundering

Beiqi Foton is working with banks to fight against money laundering. We provide required information such as business review and customer information, and provide necessary support for bank background checks, risk identification and continuous risk management. In addition, we have established the customer identity and transaction record systems in accordance with regulations to ensure the authenticity and completeness of the information. We also launch anti-money laundering training for employees to improve their understanding and anti-money laundering ability.

Compliance whistleblowing management

Beiqi Foton continuously promotes systematic construction, optimizes the multi-faceted supervision and review system, and improves the complaint and reporting mechanism. The Company has formulated the *Compliance Reporting Measures* to clarify the functions and duties of each management department and the reporting process, and implements it in accordance with laws and regulations. In the meantime, we keep the information of whistleblowers confidential and safeguard their legitimate rights. In case of any unfair treatment due to reporting, the Company shall provide comprehensive support for the whistleblowers. In 2024, we received one reporting case, with a 100% investigation rate.

Compliance reporting hotline: (010)-80708855

Compliance reporting Email: fthgjb@foton.com.cn



Tech Foton — Empowering Freer Mobility

Keeping pace with technological changes, Beiqi Foton adheres to the concept of "technology creates value" and pools the strengths of innovation. Working with partners, we focus on the core modules of commercial vehicles and plan the overall layout of core technologies to ensure controllability. We hone techniques for better quality, empower economic development with digital technology, and contribute our share to sustainable transportation.

Our Performance:

2,123.0942 million yuan

Invested in R&D

17.6%

R&D staff ratio

21

National standards that we participated in their formulation

9%

Year-on-year increase in IQS

100%

Coverage of information security training

Our contributions to UN SDGs



Leading Sci-tech Innovation

In 2024

2,123.0942 million yuan

R&D investment

4.45%

Percentage of R&D investment in main business revenues

17.6%

R&D staff ratio

634

New patent applications

231

Invention patent applications

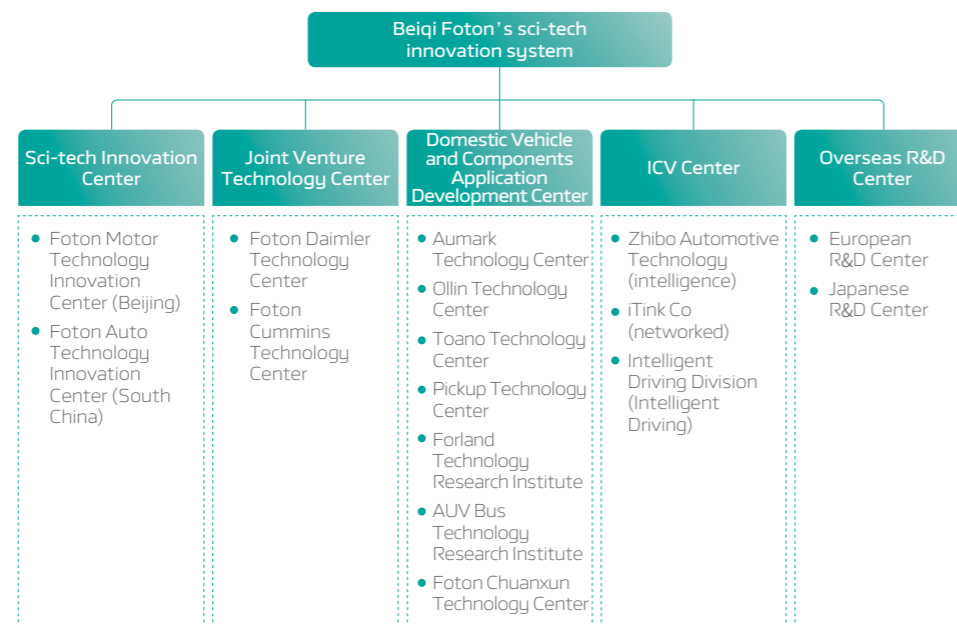
307

Authorized patents granted

Regarding innovation as the driving force for sustainable development, Beiqi Foton brings together global wisdom and sets up platforms for innovation through continuous exploration and practice. Together with our partners, we work to promote industry progress and enable better social well-being by sci-tech innovation so that it can benefit everyone.

A global network of R&D

Centering around the technology strategy 4.0 plan, Beiqi Foton increases R&D investment mainly in new energy, intelligent networking, power transmission, intelligent chassis, and lightweight. We strive to build technological innovation and R&D centers globally and pursue breakthroughs in the "2+3" technology field. We keep developing our business layout for the manufacturing of complete vehicles and core components, covering technical routes such as fuel, pure electric, hybrid, and hydrogen fuel. Those initiatives have promoted our self-dependent innovation and transformation in all aspects. In 2024, the South China Research & Development Institute was officially established as a pilot project for transforming the R&D management model. The institute will be committed to incubating self-dependent core new technologies in the field of commercial vehicles by hiring talent in new energy and new technologies.



The Beiqi Foton X Lab Test Center is a world-class R&D test center specifically built for new technological innovation.

Case

Redefining global commercial vehicles with Chinese standards and leading the "new force" of heavy-duty trucks



In 2024, the Foton Auman heavy-duty truck family welcomed new members: Galaxy 9, Galaxy 7, Galaxy 5 and Galaxy T, with advantages of designs covering all energy routes, advanced intelligence, and full scenarios. Auman Galaxy 9, a newly launched flagship heavy-duty truck, has achieved a leap in quality with its revolutionary platform architecture, cutting-edge design, multiple power options, and leading intelligent driving technology. It redefines global heavy-duty truck standards, becoming a "new force" at the forefront of the industry.



Galaxy smart architecture

Boasting a 4 horizontal and 2 vertical system responding to scenario-specific requirements, and achieving full coverage of oil, electricity, hydrogen, gas, and hybrid.

Intelligent driving cockpit

2 million kilometers of intelligent driving tests, 500,000 scenarios, 28+ intelligent driving functions, 800+ experience functions, 400+ data interconnection, 500+ information security.

Ultimate "Galaxy" beauty

0.618 golden ratio, U-shaped star-gathering decoration (the design is inspired by the traditional Chinese image of Kunpeng), 0.348 drag coefficient, multi-screen U interactive interface, solid wood floor, 0 gravity seat, multi-space ecological interconnection, 2,450mm×2,125mm ultra-large space.

New energy exclusive platform

Adopting innovative three-stage integration technology, with more than 90 proprietary technologies and highly integrated software and hardware.

Quality leap for ultimate driving control

Sedan-level air quality standards, 58 anti-corrosion designs, ultimate stability, precise steering, and smooth control.

A blend of aesthetics and safety for worry-free driving

"Shield-type body structure" with high-strength steel for the frame, accounting for 69%; some parts made of hot-formed steel feature strength up to 1,500MPa; in the actual collision test, the car can resist collisions generating an impact of 16 tons, ensuring the safety of the driver and passengers.

Technology for good

Regarding technology ethics as the key foundation of technological innovation, Beiqi Foton has established clear ethical standards and norms. Through regular training and science popularization campaigns, we help employees better understand technology ethics and their importance in innovation during the innovation activities. In particular, in the R&D of autonomous driving technology, we have clearly stated that it must follow the principle of "safety first" without the expense of the safety of pedestrians or others. In 2024, no technology ethics violation occurred.

Culture of innovation

Beiqi Foton continues to improve systems such as the *Foton Sci-tech Innovation Business Management Measures*. We have established four major incentive mechanisms: performance-based salary incentives, R&D project incentives, sci-tech innovation incentives, and employee stock ownership. These incentives improve organizational performance, R&D project performance, and R&D innovation capabilities. As we stimulate the innovation enthusiasm of researchers, we conduct skill training, competitions, innovation salons, and other activities to improve employees' innovation capabilities and creative thinking, so that they are able to, dare to and are willing to innovate for a thriving company.

In 2024

21

National standards that we participated in their formulation

159

Domestic trademark applications

74

Domestic trademark registrations

94

Overseas trademark applications

64

Overseas trademark registrations

34

Software copyright registration



We received the title of **"sci-tech reform enterprise"** in the 2023 special assessment of local "Double Hundred Enterprises" and "Sci-tech Reform Enterprises" announced by the State-owned Assets Supervision and Administration Commission of the State Council.

"Power Battery Risk Warning System Based on New Energy Operation Big Data" won the **Gold Award at the 18th Beijing Invention and Innovation Competition**.

"All-round Intelligent Collaborative Safety Prevention and Control Technology and Application of Road Vehicles in Cross-domain and Changing Environments" won **the First Prize in the Science and Technology Award of the China Federation of Logistics & Purchasing**.

"Key Technology and Application of Braking System Resilience of Freight Vehicles Based on Digital Technology" won **the First Prize in the Science and Technology Award of the China Federation of Logistics & Purchasing**.

IPR protection

In strict accordance with Chinese laws on the protection of intellectual property right (IPR), such as the *Patent Law* and other relevant regulations, we have formulated *Intellectual Property Operation and Management Measures* and *Intellectual Property Management Measures*. We also seek continuous improvement in our intellectual property management system to enhance the protection of patented technology and prevent the infringement or abuse of intellectual property.

Forging Excellent Quality

Quality is the cornerstone for winning market shares and customer trust, and also the lifeline of Beiqi Foton. Thoroughly following the new development philosophy proposed in the Outlines for Building China into a Strong Nation in Quality Construction, we prioritize quality, fully implement the quality strategy, and adhere to the quality strategy of "reducing waste, eliminating defects, and improving customer satisfaction." We also tackle obstinate quality problems, foster a quality culture, and devote ourselves to providing excellent products and services.

Quality management system

Beiqi Foton has introduced the ISO 9001 and the IATF 16949 quality management systems and the performance excellence management model. The Company has incorporated national military standards, 3C, product consistency, and other requirements into the quality management system for unified management, establishing a sound and reliable management system and a quantitative evaluation standard for the quality management system with Foton's characteristics. Through system evaluation, improvement, and process standardization, we maintain an advanced and effective quality management system, laying a solid foundation for improving product and service quality.

Quality operation system

Beiqi Foton ensures products and services of higher quality by further promoting the performance excellence management model, building the talent team, and optimizing quality enhancement methodologies.

Further promoting the performance excellence management model

- The performance excellence model has been introduced to increase our competitiveness, facilitate our continuous improvement, and maintain and enhance our strengths.
- Aiming at performance excellence, we have constructed the performance excellence model with ISO 9001/IATF 16949 as the basis and Six Sigma as the breakthrough. We hope to enhance our operational capabilities across the entire value chain processes through the diagnosis and improvement of excellence performance.

Introducing Six Sigma and building the talent team

- Six Sigma management has been enhanced to provide a set of business breakthrough and innovation systems for the Company to achieve customer satisfaction and performance excellence.
- A talent team consisting of 154 professional quality talents, ranging from Six Sigma Green Belt, Black Belt, and Master Black Belt, has been built.

Optimizing quality enhancement methodologies

- Best practice methodologies have been issued and promoted, including the *Manual for Quality Method Tools*, the *Manual for Quality Improvement and Prevention*, the *Manual for New Energy Quality*, the *Manual for Overseas Quality* and the *Manual for Intelligent Network Quality*.

In 2024

100%

Quality training coverage for quality system employees

Quality culture

While sticking to the campaign of entrusting the leadership to take charge of quality, Beiqi Foton increases quality rewards and punishments through quality culture activities. We strive to create a culture where all employees care about, contribute to, and practice quality campaigns with the release of the customer-centered *Quality Culture Manual*.

Entrusting the leadership to take charge of quality

- The leadership participates in quality management and presides over the monthly quality management committee meetings.
- Weekly quality scrum meetings for leadership are held to quickly resolve customer complaints on actual things at the actual place, ensuring the effective implementation of improvement measures and 100% rectification.

Quality culture activities

- Company-wide quality meetings and quality culture events are organized.
- Activities such as quality knowledge contests, quality culture promotion and QC achievement presentations are launched.

Increased quality rewards and punishments

- Management mechanisms, such as the quality bottomline, quality report platform, and quality traceability, have been implemented to hold accountable those who break the bottomline and violate regulations.
- The annual Quality Progress Award is awarded to maintain the passion for quality among all employees.



Weekly quality scrum meetings for leadership



Beiqi Foton has won 7 Demonstration Awards and 10 Professional Awards in the National QC Group Achievements Competition

Quality assurance capability

To strengthen quality, Beiqi Foton provides customers with better and more efficient services through actions including enhancing product planning and definition, building a stable and efficient supplier system, deepening lean manufacturing and upgrading service capabilities.

Enhancing product planning and definition

- We develop product planning and verification capabilities based on users' scenarios and needs to achieve precise customer demand definition. Full-process quality control is carried out in project development and verification stages.
- A "scenario + region + working condition" quality verification system has been in place.
- Competitive goals are set in project quality planning, verification results are strictly applied in the product development and verification stage, problems are detected through various tests during production launch, and a joint field investigation mechanism is conducted shortly after market launch to promptly identify and solve problems, so that product reliability is guaranteed in all aspects.

Building a stable and efficient supplier system

- We have tailored policies for each supplier and strengthen supplier reform while providing assistance to improve their capabilities and rapidly enhance component consistency.
- We strengthen quality supervision and eliminate unqualified suppliers through annual audits and component evaluations.
- Personalized improvement plans are made for different suppliers.

Deepening lean manufacturing

- We optimize on-site management, adjust process layout and operation standards based on production, and strictly supervise process implementation.
- New technologies are utilized to empower old production lines and improve the quality assurance level of process equipment.
- A digital web- and data-based manufacturing platform has been built to transform manufacturing quality detection to prevention and ensure consistent product quality.

Upgrading service capabilities

- We develop predictive services and a quality monitoring platform, provide remote technical support, visualize rescue services, and optimize customer complaint management.
- We clarify the procedure for problem escalation and unblock the two-level module problem reporting channel to ensure rapid response to and improvement of market quality and enhance customer satisfaction.

In 2024



9%

Year-on-year increase in IQS



User feedback mechanism

Beiqi Foton takes user feedback as an important basis for quality improvement. Through "feedback - analysis - verification - improvement - prevention", a user-centered improvement loop is formed to optimize our products, services, and processes. In addition, 8D and "double zero" methods are used to drive the rectification of quality problems in the entire value chain, ensure timely resolution of every problem, and improve product quality and reliability.

- **Rapid response and hierarchical management**
 - Emergency issues are reported through the "red channel". For those involving safety issues, the technical team will arrive at the scene within 24 hours and solutions will be provided within 48 hours under the direct supervision of the Company's senior management.
 - Routine problems are handled through the standard procedure. Non-urgent problems are responded within 48 hours and feedback is collected through multiple channels such as the 400 hotline and the IOV platform.
- **Transparent traceability and user communication**
 - The production batches, parts sources and maintenance records of vehicles can be precisely traced through the coded management system.
 - Users are regularly informed of the problem handling progress, and optimization plans and compensation measures are pushed through our APP.

Guarantee of driving safety

Beiqi Foton expands safety practices in all domains and innovates in safety technology in the fields of active safety, passive safety, functional safety, health and safety, and use safety. We apply intelligent driving technology and big data services and enhance chassis safety, with an aim to reduce safety hazards from the source. With unremitting efforts, we work to realize the transition from "zero deaths" and "zero injuries" to "zero accidents". In 2024, the IoV platform sent fault reminders and warning information to 896,000 vehicles.

Case

Foreseeing failures to ensure driving safety



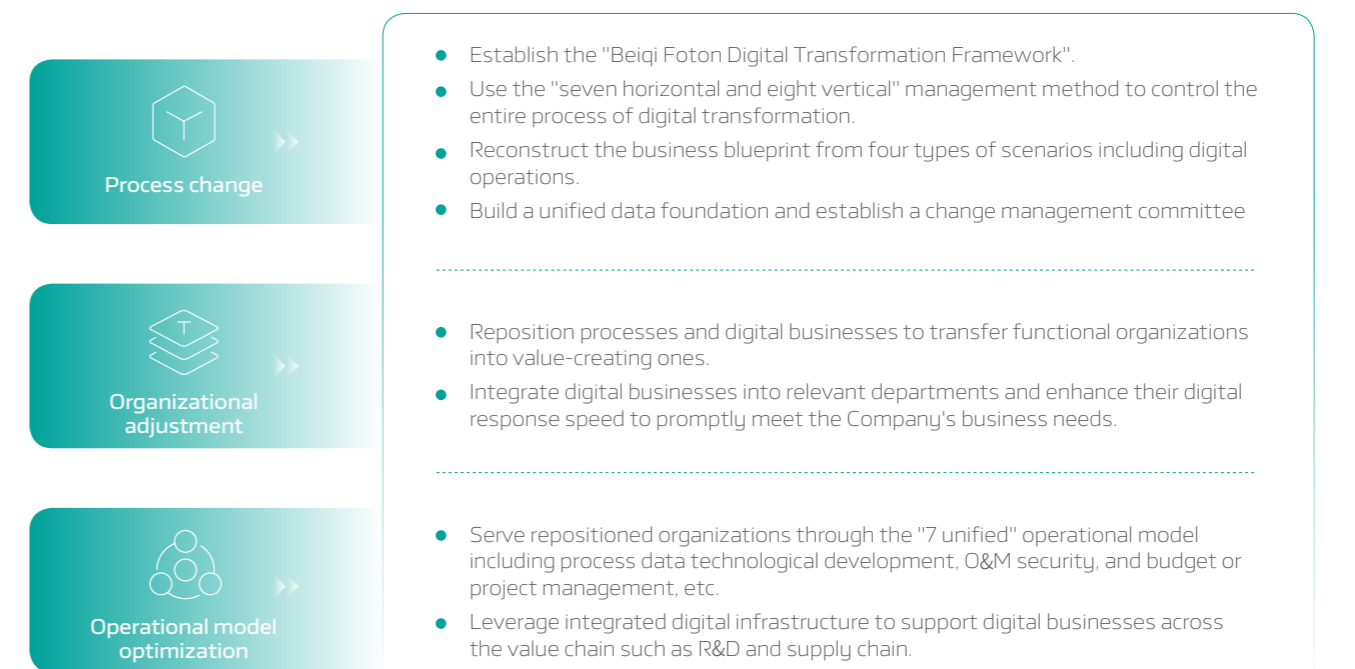
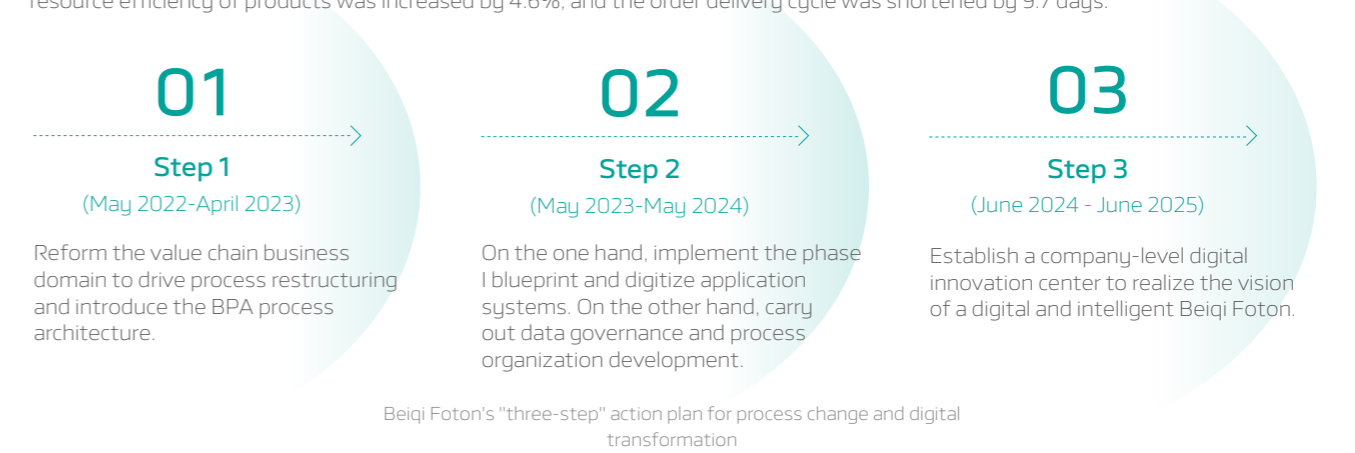
Vehicle failures are an important factor leading to accidents. Beiqi Foton adopts the "TCO integrated solution for major customers" to intervene in vehicle faults in advance through prediction services and fault reminders in the IoV system before failures occur. This reduces the additional costs of operational interruptions caused by failures and ensures driving safety.

Integrating Digitization and Intelligence

To firmly grasp the new trends of the commercial vehicle industry to go intelligent, networked, electrified, shared and lightweight, Beiqi Foton accelerates its digital and intelligent transformation, deepens exchanges and cooperation with partners, and builds an information security defense wall, in an effort to contribute to an intelligent commercial vehicle industry with more efficient and safer Foton solutions.

Digital transformation

A "three-step" action plan has been formulated. We further facilitate the implementation of the digital strategy and carry out a customer-centered and business-driven digital transformation with end-to-end process change as the basis. Digital technologies such as cloud computing, big data, and IoT are utilized to reshape and transform our business. We aim to build a new marketing ecology and a product development system with an equal emphasis on both planning and development. We also strive to create a QCD-leading supply chain and realize the deep integration of business and finance, thus establishing a cost- and efficiency-leading corporate management system compatible for future development. Since the start of the action, 825 digital platforms/modules have been launched, with 67% progress completed; the time for handling customer complaints was reduced by 6.3 hours, the resource efficiency of products was increased by 4.6%, and the order delivery cycle was shortened by 9.7 days.



Main measures to implement Beiqi Foton's digital strategy

Industrial internet

To maintain Beiqi Foton's competitiveness in the commercial vehicle industry, the Company has established an all-round top-level industrial internet architecture. It combines one hybrid cloud, interconnections between the enterprise and vehicles, customers, factories and the industry, and mass customization, intelligent production, networked collaboration and service extension. The structure guides Beiqi Foton's industrial internet in achieving data, network, platform, and application security, while optimizing industrial production processes, corporate resource allocation, and the intelligence of vehicle operations. Beiqi Foton's secondary node development project for the identification and resolution of the industrial internet of the automotive industry has gotten over 23 million identifiers, established 133 enterprise nodes, and had over 53.2 million key parts included into the identification and resolution system.



<p>Interconnection within the plant</p>	<p>Corporate application and industrial system interconnection</p>
<p>Man, Machine, Material, Method, and Environment connecting to the production line: We utilize 5G+ visual inspection system for the first time, integrating 5G technology and industrial internet to achieve instantaneous transmission of massive images. Information about the appearance and quality of parts, equipment positions and glue line defects, etc. is captured by smart cameras to guide robots to work more efficiently.</p>	<p>Connecting dealers, service providers, partners, and suppliers: We use mobile internet, IoT, and other technologies to connect dealers, service providers, and suppliers, handling 16,000 purchase orders, 2,000 sales orders, and 6,000 service orders every day while achieving cross-regional R&D and design collaboration.</p>
<p>Corporate and product interconnection</p>	<p>Corporate and customer interconnection</p>
<p>Connecting vehicles and parts: Technologies like IoT, 5G/4G, CAN bus are applied. As an important part of Foton's industrial internet architecture, Beiqi Foton's IoV platform can realize millisecond-level data collection, thus building a "vehicle cloud black box" for the safety operation of vehicles.</p>	<p>Connecting major customers in fields of ports, cold chains, coal, express delivery, hazardous chemicals, and green channels, etc.: The Foton APP and the fleet management system, can connect 8.1 million online users, with 6.63 million registered members and over 850,000 monthly active users.</p>

Information security

In 2024

30,000

Participants in information security, data compliance, and privacy protection training

70

Suppliers engaged in information security training

100%


Coverage of information security training

1,386

Information security vulnerabilities or other cybersecurity incidents resolved

Based on the *Information Security Management Manual*, *Information Security Effectiveness Measurement Procedure*, *Foton Automobile Information Security Incident Management Procedure*, and other documents, Beiqi Foton has shaped an in-depth three-dimensional cybersecurity defense system. It guarantees prevention and control from five dimensions: cloud, network, terminal, data, and application, reducing passive data leakage caused by network attacks. The system has obtained the UN R155 vehicle cybersecurity management system and UN R156 vehicle software update management system certificates in 2023. In 2024, no information security vulnerabilities or cybersecurity issues occurred.



<p>Case</p> <p>Beiqi Foton conducts information security training</p> <p>To ensure the Company's work safety and enhance employees' awareness of information security, Beiqi Foton organized a series of special information security training sessions in 2024, including information security awareness education, terminal security checks, and network topology checks. These initiatives aim to comprehensively strengthen the Company's information security protection system and enhance the security defense capabilities of terminal devices, so as to achieve the goal of zero major information security incidents.</p>	
<p>Case</p> <p>Beiqi Foton becomes the first commercial vehicle manufacturer to pass the quantitative management level in DCMM assessment</p> <p>In 2024, Beiqi Foton received a quantitative management level (Level 4) in Data Management Capability Maturity Model assessment, becoming the first commercial vehicle manufacturer to pass the assessment at this level. It also provides a solid foundation for Beiqi Foton to build a data management document system integrated with various management systems.</p>  <p>Beiqi Foton awarded the quantitative management level in DCMM assessment.</p>	



Green Foton — Bringing Vibrancy to Nature

As a critical player in the energy revolution and environmental protection, Beiqi Foton is committed to fulfilling our corporate mission of "providing green solutions for the energy revolution." We take actions to contribute to China's 30-60 Decarbonization Goal (to peak carbon dioxide by 2030 and achieve carbon neutrality by 2060) and materialize China's policy of green development. We are devoted to employing green technology for a low-carbon future, striving for innovation, shouldering the responsibility of the times, and leading the green transformation in the commercial vehicle industry.

Our Performance:

12,684 tCO₂e

Greenhouse gas emissions reduced

11.157 million yuan

Investment in energy-saving technology transformation

2

National-level green supply chain management enterprises

3

National-level green plants

33 MW

Installed capacity of photovoltaic power facilities

100%

Compliant pollutant discharge

Our contributions to UN SDGs



Addressing Climate Change

Climate change and carbon emissions have become key factors in driving the development of the commercial vehicle industry. As global warming intensifies, Beiqi Foton has strengthened our low-carbon awareness, bravely assumed green responsibilities, and regarded climate change as a core element of sustainable development. With the help of green technology innovation and emission reduction measures, we work closely with upstream and downstream companies to transition the industrial chain into a low-carbon model.

Climate governance

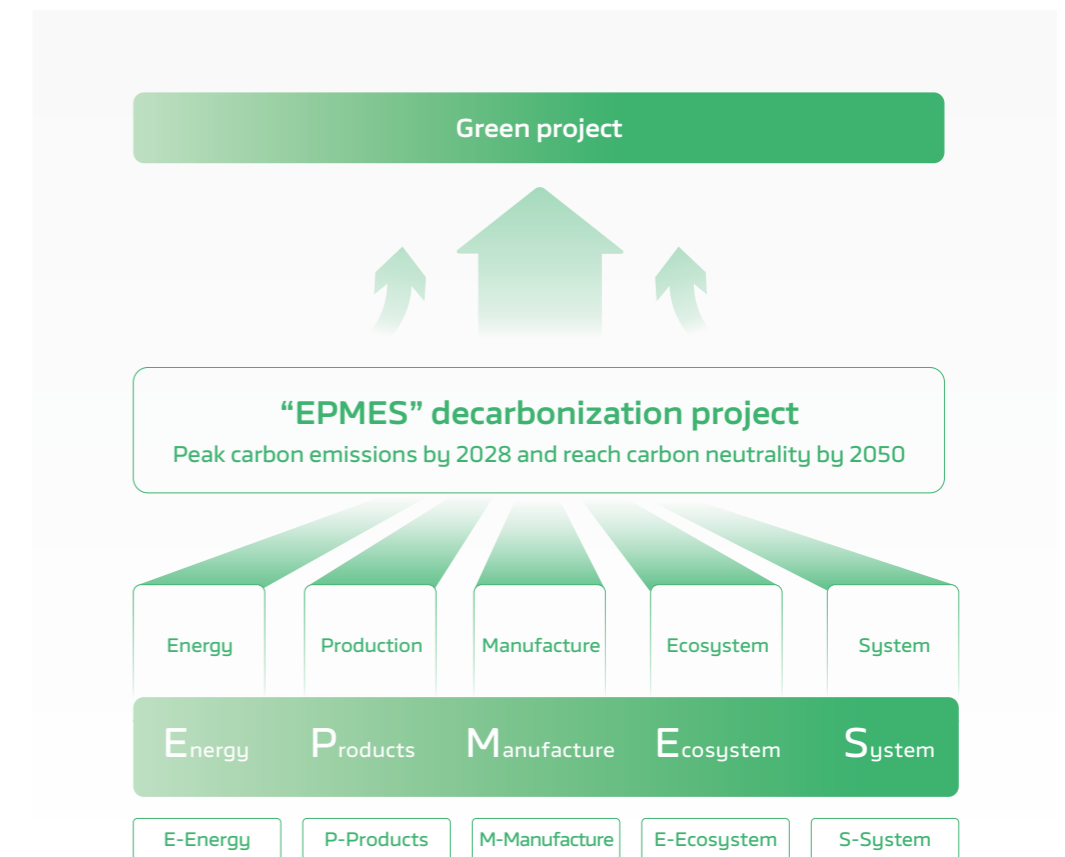
To improve the efficiency of carbon peaking and carbon neutrality (decarbonization) management and realize strategic goals, Beiqi Foton has built a decarbonization management system, from overarching planning and design, and coordination by functional department to implementation by each business division and plant. We manage organization-level carbon, procurement carbon, product carbon, and ecosystem carbon, and shape a solid organizational structure to effectively achieve decarbonization goals.



Decarbonization strategy

Beiqi Foton is deeply aware of the inextricable link between climate risks and opportunities. Policy changes caused by climate change and the pressure exerted by extreme weather on production and operations have brought uncertainties to our development. However, it has created new opportunities for us to develop green technology and promote green and low-carbon transformation. As a leading manufacturer in China's automotive industry, especially in the commercial vehicle sector, Beiqi Foton has formulated and implemented plans and measures to realize the carbon peaking and carbon neutrality goals in alignment with national strategic imperatives, and proposed its own decarbonization strategy and action pathways.

- Carbon neutrality targets:** Beiqi Foton aims to "peak carbon dioxide emissions by 2028, realize core factory carbon neutrality by 2035, and achieve full value chain carbon neutrality by 2050." The first target, "peak carbon dioxide emissions by 2028," focuses on reducing energy consumption and carbon emissions, and it is divided into two stages: carbon emission reduction in key areas (2023-2025) and targeted carbon emission efforts (2026-2028).
- Pathways for decarbonization:** Beiqi Foton guarantees the realization of decarbonization goals through "EPMES" (Energy, Products, Manufacture, Ecosystem, System) projects. Specific pathways include energy efficiency improvement, low-carbon product development, green manufacturing, green ecosystem, and improvement of the energy-carbon management system.



Beiqi Foton's "EPMES" decarbonization project

category	Identified risk	Risk description	Opportunities	Measures
Transition risks	Policy and legal risks	<ul style="list-style-type: none"> China's 30-60 Decarbonization Goal and the New Energy Vehicle Industry Development Plan (2021-2035) encourage the auto industry to save energy and go electrified, intelligent, and networked. Regulations on safety, energy saving, and environmental protection are updated. China continues to streamline administration, delegate powers, tighten supervision throughout the process, and intensify crackdown on car models falling short of standards. The implementation of the National Emission Standards VI B brings risks and challenges to enterprises. With the gradual establishment and implementation of international low-carbon trade barriers such as the EU Carbon Border Adjustment Mechanism (CBAM), overseas export costs may increase 	<ul style="list-style-type: none"> We can enhance carbon management throughout products' life cycle, reasonably control energy consumption, sharpen our carbon asset advantages, and reduce operation costs. We prepare the technological application of new energy products, obtain relevant policy support, and reduce costs. 	<ul style="list-style-type: none"> Formulate decarbonization strategy. Formulate new energy 30-50 strategy. Formulate internationalization strategy. Participate in the development of product carbon footprint and relevant standards.
	Technology risks	<ul style="list-style-type: none"> Enterprises will face greater R&D investment in new energy technologies and greater asset depreciation risks. The new technologies and processes required for low-carbon production will replace existing equipment, leading to the risk of asset depreciation. 	<ul style="list-style-type: none"> We can develop and master green technologies such as low-carbon and zero-carbon technologies to expand market penetration. 	<ul style="list-style-type: none"> Increase investment in new energy R&D. Develop new energy and low-carbon products. Energy conservation and carbon reduction facility upgrades. Photovoltaic-storage-charging integrated micro-grid construction.
	Market risks	<ul style="list-style-type: none"> As China's 30-60 decarbonization strategy gathers momentum, the green transformation of the freight industry has become an irresistible trend, and the commercial vehicle industry faces the risk of business transformation. The scarcity of resources and energy will affect the price of products and services as well as customer demand for them, leading to changes in consumption choices. 	<ul style="list-style-type: none"> We can develop low-carbon and zero-carbon products to explore new market opportunities. 	<ul style="list-style-type: none"> Green supplier certification management. Product carbon footprint management for suppliers. Photovoltaic development for suppliers. New energy core ecosystem development.
	Reputation risks	<ul style="list-style-type: none"> As regulatory requirements and concerns by external stakeholders about climate change are mounting, responsible companies must set an example, support the transition to a low-carbon economy, and avoid environmental damage; otherwise, it may hurt their brand and reputation. 	<ul style="list-style-type: none"> We can establish a green brand image. 	<ul style="list-style-type: none"> Establish product footprint accounting system.
Physical risks	Acute risks	<ul style="list-style-type: none"> Beiqi Foton has built plants in coastal southeastern China, Thailand, and other countries. These countries and regions are severely affected by extreme weather such as typhoons and heavy rains every summer, which may cause certain economic losses and casualties. 	<ul style="list-style-type: none"> Enhance resilience to extreme weather and natural disasters. Enhance risk management capabilities to address the climate change crisis and ensure sustainable operations. 	<ul style="list-style-type: none"> We have effectively assessed the risks brought by climate change and formulated emergency plans. We have improved production processes, reduced energy and resource consumption, maintained publicity in energy conservation and consumption reduction, and required all departments to save water and electricity.
	Chronic risks	<ul style="list-style-type: none"> Climate change may have a long-term impact on the climate in the areas where Beiqi Foton operates, causing damage to corporate assets. 		

Beiqi Foton's climate risks and measures

Climate risk management

Beiqi Foton incorporates climate change risks into the Company's overall risk management, with the Legal and Compliance Management Committee responsible for identifying, evaluating, and managing climate risks and opportunities. This lays the foundation for formulating preventive measures and mitigation strategies, as well as monitoring climate risks and opportunities. In the future, we will adopt climate scenario analyses to fully identify potential risks and opportunities and accurately evaluate their potential impact on our financial situation. This practice will improve the Company's climate adaptability and provide a more reliable reference for designing corresponding response strategies.

Metrics and targets

In response to climate challenges worldwide and the subsequent changes in policies, markets, and technologies, and based on identified risks and opportunities, Beiqi Foton has formulated short-, medium- and long-term strategic decarbonization goals.

Target	Greenhouse gas emissions (base year 2022)	Greenhouse gas emissions (2024)
Carbon reduction from 2023 to 2025	215,379tCO ₂ e	177,227tCO ₂ e, a decrease of 17.71% from the base year

Note: The carbon emission data is calculated in accordance with the Requirements for Carbon Dioxide Emission Accounting and Reporting – Other Industrial Enterprises (DB11/T 1787-2020), and does not include carbon emission sources like CO₂ consumption and emissions from septic tank systems

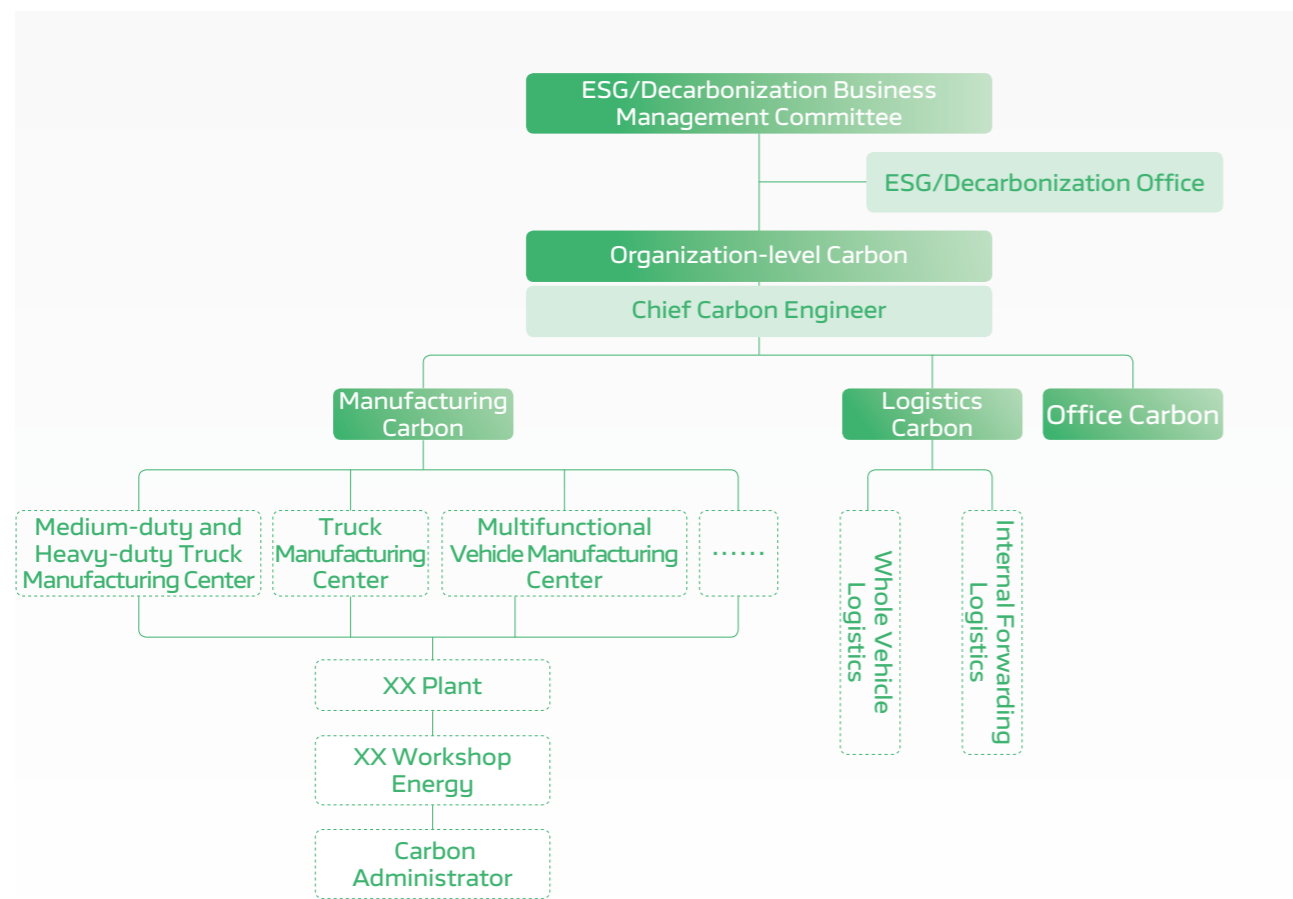


Green manufacturing

Focusing on energy-saving equipment modification, photovoltaic project development, energy and carbon management platform building and zero-carbon plant construction, Beiqi Foton has established specific management objectives and implementation plans to transit from dual control of energy (total consumption and intensity) to dual control of carbon emissions (total emissions and intensity), so as to achieve the comprehensive enhancement of energy efficiency.

Decarbonization management system building

In order to advance energy conservation, and carbon reduction, Beiqi Foton has restructured its carbon management hierarchy system encompassing roles in organization-level carbon, procurement carbon, ecosystem carbon and product carbon. We have established a three-tiered hierarchy consisting of chief carbon engineer, carbon manager, and building carbon administrator, with clearly defined job description and responsibilities, as well as corresponding KPI system for better management.



The Decarbonization Management System of Beiqi Foton

Technological measure to conserve energy and reduce emissions

Upholding the principle of energy conservation and emission reduction in manufacturing processes, Beiqi Foton has set the objective of reducing energy consumption per vehicle manufactured by 3%, and further down by 10% in 2028. To achieve this objective, we will adopt five technological measures, including equipment efficiency enhancement, green energy-saving process, precision energy consumption control, renewable energy utilization, and pollution mitigation and carbon emissions reduction, to ensure the successful realization of the objectives.

Advancing key energy-saving and emission reduction engineering projects

In 2024

○

3

National-level green plants

2

National-level green supply chain management enterprises

33

MW Installed capacity of photovoltaic power facilities in total

11.157

million yuan Investment in energy-saving technology transformation

12,684

tCO₂e Greenhouse gas emissions reduced

○

Beiqi Foton strictly abides by the *Energy Conservation Law*, the *Renewable Energy Law* and other applicable Chinese laws and regulations. We continuously push forward the construction of key energy-saving and emission reduction engineering projects, and implement energy conservation and carbon reduction with concrete actions, including energy-saving equipment modification, photovoltaic project development, energy and carbon management platform building and zero-carbon plant construction.

Energy-saving equipment modification and upgrades

- Waste heat recovery and utilization facility modification: Completed construction of Multifunctional Vehicle Global Center Plant, Medium and Light Truck Global Center Plant, Forland Global Center Plant and other units.
- Application of air source heat pump technology: Completed construction of multiple units, including Forland Global Center Plant, Company Headquarters.
- High-efficiency equipment replacement: Focused on measures such as replacement of energy-intensive motors, adoption of frequency conversion cooling technology and comprehensive energy efficiency improvements, and completed construction of multiple units for the time being, including AUV New Energy Bus Unit, Forland Global Center Plant, and Multifunctional Vehicle Global Center Plant.

Energy and carbon management platform building

Realized online functions such as real-time monitoring energy and carbon emissions, diagnostic improvement, and performance appraisal, with full visibility of low-carbon and green development status across all operational stages.

Distributed photovoltaic project development

Completed construction of photovoltaic facilities at Changsha Super Truck Plant, Multifunctional Vehicle Global Center Plant and other units with a total installed capacity of 33MW.

Zero-carbon plant construction

Completed the planning for 4 zero-carbon plants, including Changsha Super Truck Plant, and to advance the implementation of carbon emission reduction projects and carbon emissions verification as planned, with the zero-carbon plant certification expected to be completed in the first half of 2026.

Key energy-saving and emission reduction engineering projects of Beiqi Foton



The energy and carbon management platform of Beiqi Foton



Distributed photovoltaic project development



RTO waste heat facility modification



Application of air source heat pump technology

Green procurement

Beiqi Foton promotes suppliers to collect carbon footprint data through green supplier system building, which is widely applied in areas such as rooftop photovoltaic, low-carbon material, advanced process, green packaging and logistics. With these efforts, we facilitate the transition from traditional procurement to green supply chain, achieving comprehensive reduction in carbon footprint of parts.

Green supply chain planning and development

We aspire to achieve the goal of peaking carbon dioxide emissions in the manufacturing process of core Tier 1 suppliers by 2026 and reducing supplier carbon emissions per product by 20% on average by 2030 compared to 2022. We facilitate low-carbon transition of supply chain through green supplier certification, supplier footprint management and supplier photovoltaic development. In 2024, Beiqi Foton made plans for developing 62 green suppliers.

<p>Green supplier certification</p>	<p>We have formulated the Beiqi Foton Green Supplier Certification Standard Requirements and established a green supplier management system from the aspects of green supplier system standard building, supplier review and admission, low-carbon development roadmap, carbon management capabilities, etc. Our efforts include developing green and low-carbon raw materials. In 2024, we completed certification for 4 green suppliers.</p>
<p>Supplier carbon footprint management</p>	<p>We adopt China Industrial Carbon Emission Information System (CICES) to encourage suppliers to take initiative to cut carbon emission, manage their carbon footprints, and improve their carbon asset management capabilities for green and low-carbon transformation of the supply chain.</p>
<p>Supplier photovoltaic project development</p>	<p>We urge suppliers to build rooftop photovoltaics or use green energy. In 2024, 172 suppliers installed 1,579 MW of photovoltaics capacities on their plant rooftops, with another 42 advancing their installation. The annual photovoltaics power generated by suppliers stands at 1.7369 TWh.</p>

Green steel procurement

Beiqi Foton cooperates with HBIS Group Co., Ltd., a leading steel producer, to develop and verify green steel. Through the long process and all waste steel carbon reduction process, and use of 20%-30% recycled waste steel, we reduce carbon emissions by more than 10%. Built on it, we will gradually advance the verification for modules including green steel chassis and body-in-white. In 2024, we conducted material verification for 6 green steel varieties from HBIS Group Co., Ltd., and test arrangements for the first batch of trial manufacturing are currently underway.

Green packaging

Beiqi Foton carries out green packaging carbon reduction efforts centered on packaging development, building shared packaging resources, and circular packaging improvements. We have completed the release of the Company's standardized management tools, including general standard of green packaging, administrative measures for packaging development, packaging review procedure, packaging labelling specification, and packaging design brochure, etc. We standardize supplier packaging, apply eco-friendly packaging materials and circular packaging, and raise the proportion of recyclable materials to lower packaging waste.

In 2024

720 tons
Recycled packaging materials

1,138 tons
Total use of renewable packaging materials (in vehicle manufacturing)

98%
Recycling and reuse rate of recyclable packaging

100%
Resource utilization rate of carton and wooden packaging, and plastic and rubber packaging

Green logistics

Beiqi Foton implements projects centered on engaging suppliers moving in for centralized collection and transportation route expansion, promoting cyclic goods-taking, integrated V+R (Vehicle + Route) system building, application of intermodal transportation, and green transportation vehicles and warehousing equipment. At present, we have completed the construction 11 centralized collection hubs with an accumulative 355 resident suppliers for centralized collection operations. Meanwhile, we have achieved 100% electrification of forklifts across all plants. In terms of green warehousing, our smart logistics center in Weifang adopts the BIPV (Building Integrated Photovoltaics) solution. It has taken full account of the green photovoltaic power from the very beginning of construction planning. This helps reduce the dependence of logistics and warehousing on traditional fossil fuels as well as carbon emissions, thus facilitating the green and sustainable development.

Green products

Beiqi Foton carries out relevant work in three major areas: low-carbon technology exploration, low-carbon product development, and product carbon footprint management. Through researches on product carbon planning system and low-carbon technologies, we have established product carbon accounting capability and are implementing initiatives to reduce product carbon emissions.

In 2024

65 types

Approved renewable materials

20

Technologies developed for lightweight design

100%

Coverage of vehicle models that meet the national fuel consumption and emission requirements

One of the **first**

commercial vehicle models receiving the quantified carbon footprint label

Low-carbon technology research

- Focus on material technology, modular technology and vehicle assembly to establish low-carbon material database with over 40 varieties of low-carbon materials.
- Core module technology research focuses on 15 key components, with carbon reduction opportunities identified and studies across 6 applied research areas.
- Achieve vehicle fuel-saving, electricity-saving and gas-saving of vehicles by adopting high-efficient energy-saving technologies including hybrid architectures, high-performance engine, optimized thermal management, energy recovery, auxiliary electrification, continuously advancing zero-carbon product development and delivery.

Low-carbon products development

- Conduct platform-based, high integrated, and new energy technological route research and strategic planning and layout of low-carbon module and vehicle product, with the independent module technology strategic plan 4.0 and planning for a full spectrum of low energy consumption products completed.
- Complete the product layout across heavy, medium and light-duty vehicles in terms of zero carbon emission (hydrogen) fuel power cells.
- Achieve full-scale mass production and delivery for new energy core module at present.
- Comprehensively promote product energy reduction, and ensure the new deliveries fully comply with Phase-IV fuel consumption regulations.

Carbon footprint management

- Track and participate in standard policy planning seminar, build corporate product carbon standard system, and identify 147 standards and specifications.
- Complete baseline carbon footprint accounting for 7 vehicle models, establish accounting model and form accounting capability, complete carbon footprint data disclosure of light-duty truck models on the China Automobile Industry Chain Carbon Publicity Platform (CPP), being the first one in the commercial vehicle industry to obtain carbon footprint certifications for 4 vehicle models.
- Establish low-carbon material database.
- Form low-carbon technology roadmap, with over 88 low-carbon and zero-carbon technological research in reserve.

Optimizing Resource Use

In 2024

10

Units obtained the certification of ISO 14001 environmental management systems

In 2024

1.6719 million tons

Total consumption of water resource

86%

Reuse rate of water resources

39,300 tons

Total reclaimed water reused

In 2024

100%

Compliant pollutant discharge

Beiqi Foton actively engages in the development of a modern environmental governance system and continuously enhances its environmental management system throughout its production, manufacturing, construction, and operational activities. In addition, we proactively seek ways to optimize energy and resource efficiency, and impose tight control on pollutant emissions to highlight the defining feature of green development.

Environmental management

Beiqi Foton rigorously complies with the *Environmental Protection Law* and other applicable Chinese laws and regulations. We continuously improve our environmental management and actively promote ISO 14001 certification. By identifying potential environmental risks and developing emergency response plans for environmental incidents, we minimize adverse impacts on the environment and boost resource efficiency. This lays a solid foundation for our green, low-carbon, and circular development. In 2024, Beiqi Foton saw no significant environmental incidents or major administrative penalties.

Water resources management

Beiqi Foton takes seriously the impact of water resources on the environment and local communities, and has set a water-saving target of a 3% reduction by 2025 and a further 5% reduction by 2028. We have taken various measures to strengthen water management. For example, we establish a water consumption quota management mechanism, implement intelligent transformation of water metering facilities, conduct water balance tests, promote the usage of water-saving devices, and reuse the coating wastewater and reclaimed water.

Resource recycling and utilization

Beiqi Foton actively carries out vehicle recycling business and cooperates with battery factories to achieve the recycling and reuse of scrapped batteries by establishing power battery recycling channels, thereby reducing environmental pollution, promoting the sustainable development of the new energy vehicle industry, and promoting the development of green travel and circular economy. In 2024, motors, electronic controls, high-voltage wiring harnesses, and other parts are collected and sent back to our plant for remanufacturing.

Pollution prevention and control

Beiqi Foton has deployed facilities for the prevention and control of wastewater, exhaust gas, solid waste and noise according to the regulations. We have also formulated the manual for pollution prevention and control facilities, and established and improved the operation and maintenance mechanisms for the environmental protection equipment to ensure their normal and effective operation. Through these efforts, we ensure that 100% of the pollutants, such as exhaust gas, wastewater, and waste residues, are discharged compliantly. In 2024, Beiqi Foton saw no major administrative penalties or significant impact on employees resulting from pollutant discharge.

Wastewater management

In line with the principles of "segregated drainage of rainwater, clean water, and wastewater, segregated discharge of different effluents, collection, and disposal of wastewater by category and quality, and use of water for multiple purposes", we adopt green pre-treatment technologies and collect wastewater by category and quality to ensure that all wastewater are treated to meet standards before being discharged or reused. This helps us drive toward the target of "reducing wastewater discharge by 2% in 2025 and 4% in 2028 compared to 2024". In 2024, we discharged 829,100 tons of wastewater.

Waste management

To ensure that hazardous wastes and general industrial solid wastes are collected and stored compliantly, we have set up the collection and storage sites for hazardous wastes and general industrial solid wastes in a standardized manner, implemented measures to prevent the scattering, runoff, and leakage of solid wastes, and proactively installed video surveillance, exhaust gas handling equipment, and other facilities. Meanwhile, we have formulated the Solid Waste Prevention and Control Management Policy, the Solid Waste Collection and Storage Sites Management Policy, the Technical Standard for the Prevention and Control of Solid Wastes, and other policies and standards. The solid waste inventory management mechanism is established and updated to ensure the normal and effective operation of the pollution prevention and control facilities. Furthermore, for all the hazardous wastes (paint residues, sludge, organic solvent wastes, etc.), we have signed waste disposal agreements with qualified agencies to ensure their compliant transfer. For all the general industrial solid wastes (plastic wastes, steel wastes, etc.), we have also signed waste disposal agreements with technically qualified agencies to ensure their standardized disposal.

Indicator	Target for 2024	Actual emission reduction in 2024
Hazardous waste reduced	380 tons	406.5 tons
General industrial solid waste reduced	800 tons	1,023 tons

Management of hazardous wastes		
At the source of production	During production	At the end of production
Choosing alternatives to toxic and hazardous raw materials, such as applying water-based paints and low VOC coatings as preferred.	Adopting robot spraying or manual electrostatic spraying to improve paint utilization and reduce the generation of toxic and hazardous wastes.	Using purification equipment for sludge, paint residue, phosphate residue, and mineral oil to reduce the generation of hazardous wastes; and checking whether the solid wastes are hazard-free to further distinguish the nature of the wastes and to reduce the generation of hazardous wastes.

Management of general industrial solid wastes	
At the source of production	During production and at the end of production
Setting standardized process quotas to reduce the use of steel and promote circular packaging.	Promoting the reutilization and reduced usage of waste and spare parts, and setting quotas for product wastes to strengthen daily standardized control.

Exhaust gas and noise management

Beiqi Foton has formulated the *Air Pollution Prevention and Control Management Policy* and other regulations. To continuously reduce the VOC emissions during coating, we take a variety of measures, such as the use of water-based paints, compact B1B2 and 3C1B processes, and spraying robots, as well as the addition of the zeolite rotors and RTO/TNV end-of-pipe treatment equipment. For exhaust gas from boilers, we adopt the low-nitrogen combustion technology to reduce nitrogen oxide emissions. In addition, we preferentially choose low-noise and low-energy processes and equipment, set up noise barriers and other noise abatement facilities, limit the operating hours when noise is generated, and conduct noise emission monitoring in accordance with laws and regulations. All those initiatives ensure noise compliance and reduce noise.

Preserving Ecological Beauty Together

The support and participation of all stakeholders is an integral part of our efforts to protect our common homeland, the Earth, and to achieve a harmonious coexistence between humans and nature. We work to promote green office and green lifestyles and take them as a key component of our business operations. Beyond that, we organize ecological protection activities to encourage wider engagement in green development. Through these efforts, we strive to inspire a cascade of green lifestyle practices, and make the green concept deeply embedded in everyone's minds.

Green office

Beiqi Foton makes every effort to develop a resource-conserving working mode and form a leading group for a resource-conserving organization. A variety of themed activities are organized, such as distributing the "Green Office, Green Travel, and Green Lifestyle" Initiative, organizing "Low Carbon Month" environmental protection training themed "Green Office, Green Travel, and Green Lifestyle", launching the Energy-saving Publicity Week campaign, and celebrating the National Low-Carbon Day. These efforts aim to promote environmental awareness throughout the Company, advocate green office practices and low-carbon travel among our employees, and guide everyone to adopt simple, moderate, green, and low-carbon lifestyles and work styles. They also help the continuous fostering of a green culture.



Posters on energy conservation and carbon reduction

A sign on energy conservation and carbon reduction

In 2024

6

Tree-planting activities held

800+

Employees participating in the activities

Ecological protection

Beiqi Foton is committed to cutting carbon emissions, mitigating pollution, and scaling up green development in parallel with promoting economic growth. We continuously promote the greening of our products across the life cycle and strive to lower the impact and dependence on ecosystems, biological species and their habitats, as well as genetic resources. On the one hand, we rigorously comply with the *Opinions on Further Strengthening Biodiversity Protection* and other applicable laws, regulations, and policy requirements. All our bases and plants are built in accordance with land classification standards, and are located far away from biodiversity conservation areas, and are kept away from ecologically sensitive areas such as drinking water sources, scenic spots, and nature reserves to ensure full compliance with ECR-related regulations and requirements. On the other hand, we have organized environmental protection campaigns such as the tree-planting activity under the theme "Going All 'Green' for a Low-Carbon and Better Life". In addition, the Business and Industrial Biodiversity Conservation Alliance has been established abroad with multiple stakeholders involved represented by KD plants to protect the Earth through concerted efforts.



A tree-planting activity themed "Going All 'Green' for a Low-Carbon and Better Life"



Cohesive Foton — Strengthening Bonds with Partners

Following a partnership-driven approach, Beiqi Foton strives to achieve mutual success with its partners. The Company continuously supports its suppliers and distributors in accelerating their transition towards digitalization, networking, intelligence, and globalization. Together, we are building a fair, smooth, efficient, open, inclusive, and mutually beneficial business ecosystem. In an economy full of uncertainties, Beiqi Foton endeavors to enable greater stability, offering products and services that exceed expectations to benefit customers worldwide and jointly create a brighter future.

Our Performance:

500

Suppliers trained

1,140

Dealers involved in our business transformation tutoring

93.88

Customer satisfaction score

Our contributions to UN SDGs



Building a Sustainable Supply Chain

The development of a sustainable supply chain can drive closer collaboration among partners and help establish more stable and mutually beneficial long-term relationships. The Company consistently improves its supplier management system, strengthens supplier selection and assessment, and empowers their growth. We aim to ensure that no environmental, social, or governance risks arise from our collaboration with partners, thereby achieving stable and sustainable development.

Supplier management

Committed to transparent procurement, Beiqi Foton requires all suppliers to sign the Integrity Commitment Letter and says no to any illicit flow of benefits. Suppliers found in breach of the commitment will be blacklisted and disqualified from participating in any projects. We are devoted to maintaining a clean, compliant, fair, and orderly business environment.

The Company has integrated the sustainability philosophy into its supplier management mechanism. Requirements regarding compliance, business ethics, the environment, and other aspects are clarified in such policies as the *Automotive Parts (and Direct Auxiliary Materials) Procurement Contract*, *Supplier Management Manual*, *After-Sales Service and Quality Target Guarantee Agreement for Parts (2024)*, *Integrity Commitment Letter*, *Supplier Risk Assessment Management System*, *Supplier Performance Assessment Management System*, and *Supplier Unannounced Inspection Management System*. The Company is also gradually advancing suppliers' due diligence, dedicating to building a safe, stable, and highly responsible supplier network.



Supplier support

We offer sustainable development training to our suppliers, both online and offline, such as through the Global Partner Conference and other supplier training activities. The training covers not only environmental aspects such as green supply chain development, rooftop photovoltaic installation, and carbon management, but also themes such as compliance, safety, and quality. The goal is to provide suppliers with a deep understanding of sustainability and to guide them toward sustainability practices. Additionally, we adopt a "Strategic Supplier" cooperation model. The model helps deepen collaboration in such areas as R&D and innovation, and propel suppliers to transition from traditional production modes to greener and smarter ones, thereby enhancing the resilience and security of the supply chain.

In 2024

500

Suppliers trained

100%

Supplier compliance training coverage rate

100%

Supplier quality training coverage rate

Case

Deepening strategic cooperation to win the market together



To continuously lead the healthy development of the industry, Beiqi Foton has proposed the "Strategic Supplier" cooperation model, which aims to ensure that both parties get priority to access to policy and resource support during product manufacturing and merchandising, thus fostering long-term and stable strategic partnerships. In 2024, Beiqi Foton released a list of 52 strategic suppliers and signed contracts with them. By doing so, the Company strives to deepen the cooperation model, and work together to win the market and create a future for all.



Beiqi Foton awards certificates to its core strategic suppliers.

Case

Beiqi Foton collaborates with suppliers to improve the components' quality



To drive continuous improvement in component quality, Beiqi Foton announced random quality inspection results and organized supplier review meetings in 2024. The training content includes requirements for parts management, aiming to improve the quality assurance capabilities of parts, ensuring that products can meet higher standards of reliability and durability during use.

Treating medium and small enterprises equally

During the procurement of products and services, Beiqi Foton upholds an open, diverse, and inclusive philosophy. We provide cooperation and training support for small and medium-sized enterprises owned by such groups as women, minorities, and individuals with disabilities. We strive to create equal opportunities for them, promote social fairness and harmony, and vitalize and innovate in the entire business ecosystem. In 2024, no payments to small and medium-sized enterprises were overdue.

Origin-tracing management of raw materials

To achieve comprehensive traceability of components and key raw materials (from origin verification to destination tracking) and establish accountability mechanisms, the Company makes continuous efforts to improve its systems, reduce potential supply chain risks, and improve supply chain resilience, laying a solid foundation for sustainable development. At present, iBlue Auto has formulated systems such as the *Identification and Traceability Management Procedure*, realizing coded management for 219 key parts such as power batteries. In the meantime, Beiqi Foton Auhawk & Aumark Business Unit has established a full-life-cycle control and quota database for raw materials, ensuring whole-process traceability.

Fostering a Sustainable Ecology Together

Building a sustainable business ecosystem is vital to enhancing industry competitiveness and contributing to social development. It will not work without the support and involvement of our distributors. Beiqi Foton consistently improves and standardizes distributor management. By means of training programs, distributor conferences, and distributor award evaluations, we aim to enhance their operational capabilities and service quality. Together, we work to create greater value for customers with a more responsible marketing approach.

Distributor empowerment

Upholding the philosophy of joint consultation, joint creation, and mutual benefits, the Company is developing a combination model featuring "distribution + direct sales + agency" to support distributors in expanding key businesses such as leasing, battery charging and swapping, as well as photovoltaic power generation, energy storage battery, charging pile, and reverse charging. While empowering distributors to faster expand ecosystem-based businesses, the Company has also established channel empowerment teams, formulated empowerment plans, and implemented such initiatives as distributor empowerment program on scene management, the "North to South" program, successor training plan, and professional manager development program. We are encouraging distributors to transition to new energy and international markets, adapt to marketing and live-streaming sales models at a faster pace, and enhance their sustainability capabilities, together creating a bright future. By the end of 2024, Beiqi Foton has 3,191 dealers. Among them, there are 2,996 domestic dealers and 195 overseas dealers.

Distributor Online Learning Platform

The number of learners on the platform reached 7,216. The platform has offered 530 training courses, and conducted 1,299 live-streaming empowerment sessions, attracting 217,826 learners.

Distributor transformation training

Distributor transformation training has been conducted region by region. 11 offline training sessions have been completed, and a total of 1,140 dealers were involved in our business transformation tutoring.

Distributor On-site Coaching Program

We have given out distributor standard operating manuals to 1,181 distributors. Nine distributors received the distributor on-site coaching, which covered 8 business areas and included diagnosis of their operational weaknesses and targeted tutoring based on 100 evaluation indicators across 11 dimensions.

Night training for all marketing personnel

A night training program for marketing personnel has been developed to enhance the 12N ecosystem capabilities. The training courses are divided into 13 categories and are live-streamed. To date, 513 night training sessions have been live-streamed with a total of 165,234 participants.

Distributor management training



Beiqi Foton gives licenses to 35 strategic dealers



The Welcome Ceremony of Beiqi Foton Dealer Managers

Case

Forland launches China's first new energy eco-hub



Amid the rapid growth of new energy vehicles, Forland has launched China's first new energy eco-hub—Wuhan Yuexingda New Energy Eco-Hub—to address key challenges such as fragmented commercial vehicle sales channels, delayed after-sales service, and range anxiety. The hub offers a full range of new energy products, including new, used, and special vehicles, with one-stop services, diverse vehicle leasing solutions, and large-scale charging pile deployment. It has established a closed-loop new energy business ecosystem integrating vehicles, charging piles, solar power, energy storage, load, and intelligence. To accelerate new energy vehicle adoption in freight transportation, the eco-hub leverages specialized technology to maximize battery lifecycle value, ensuring optimal battery utilization while reducing users' battery costs and replacement risks. Additionally, through a digital platform integrating expert teams and maintenance resources, the hub introduces an innovative "purchase-charging-maintenance" full-scenario service model, addressing the full lifecycle needs of vehicles. This hub lowers users' costs and standardizes industry services, setting a benchmark for scenario-based services and ecosystem-driven operations, ultimately leading the industry toward a smarter and greener logistics era.



Responsible marketing

In compliance with Chinese laws such as the *Advertising Law* and *Law Against Unfair Competition*, Beiqi Foton is committed to practicing responsible marketing, and consistently offering compliant products and winning customer trust through professionalism and focus. Upholding the principles of fair competition, the Company strives to foster a sound market environment, and promote information transparency. We continue to conduct distributor evaluations and consistency training, in a bid to avoid false or misleading commercial promotions and ensure our users receive accurate and effective information.

Delivering Premium Services

In 2024

100%

Complaint handling rate

93.88

Customer satisfaction score

Committed to the customer-centric service philosophy, Beiqi Foton continuously enhances its customer service capabilities. The Company holds activities to protect customer rights and improve customer satisfaction through supreme quality and exceptional service. By providing a more responsible, reliable, and comfortable service experience, Beiqi Foton aims to facilitate a better life for customers.

An end-to-end approach for solving customer problems

Customer satisfaction is pivotal to corporate development. Beiqi Foton attaches great importance to customer feedback, and collects customer feedback through multiple channels. A robust Voice of Customer (VOC) response mechanism has been established, featuring granular analysis and categorized processing of customer feedback. A "front-middle-back" three-level prevention mechanism is in place for customers. These efforts provide online channels for customers to access back-end value chain, and drive improvement in product research and development, production, logistics, components, sales, service and other links with standardized processes, thus bringing higher efficient services to customers. These mechanisms ensure that 99% of customer problems can be solved in the front and middle offices.

Prediction services

Beiqi Foton initiates the "prediction service" in the industry, which deeply integrates intelligent products and services with the help of advanced control technology, network technology and cloud technology, enabling early detection and elimination of potential faults and hazards. We transform passive service into active service, provide customers with the most considerate remote intelligent service, and improve vehicle operation efficiency and attendance, thus achieving more and higher customer value.

Prediction diagnosis

Through the surveillance data of the Internet of Vehicles, an early warning model has been established to predict potential faults and future trends of the vehicle. Customers will then be reminded and invited in time through the APP and the vehicle instrument to have their vehicle serviced, thus nipping vehicle faults in the bud.

Cloud calibration

Through the Internet of Vehicles + OTA technology, the remote upgrade of the electronic control module is realized, and customers can enjoy the service without entering the maintenance station.

Cloud manager

We realize the sharing of production, sales, service, and Internet of Vehicles platform data, and establish a full-cycle health file of vehicles. E. ON Foton Home enables customers to view vehicle configuration, maintenance records, warranty policies, driving tracks, fuel consumption, driving behavior and other information in real time, and conduct remote control of car doors, windows, lights, engines, and air conditioners through the Internet of Vehicles, improving the convenience of customers' cars.

Intelligent vehicle inspection

Vehicle inspection list is designed in accordance with the type, purpose, configuration and mileage and other relevant information of the vehicle to carry out routine and special inspections of the vehicle, check the vehicle failure and hidden dangers, and ensure that the vehicle is in good condition and normal operation.

Intelligent diagnosis and repair

Based on the fault mode bank, the Company develops intelligent diagnosis and repair capabilities to realize professional analysis of fault codes and data flows. We identify the root cause of the fault from the perspective of principles, locate the fault point, and develop a comprehensive plan to diagnose and repair vehicles based on inspection steps, maintenance steps, adaptability of tools and instruments, and required accessories, so as to accurately match fault patterns with diagnosis and repair plan and guide service providers to solve vehicle problems quickly and efficiently.

Layout of service network

Beiqi Foton has created the first full-cycle intelligent commercial vehicle service brand in China, and has laid out a worldwide service network with nearly 10,000 service outlets, striving to achieve "where there is Beiqi Foton, there is Foton service". There are more than 7,000 service providers in the domestic market, covering 31 provinces/municipalities directly under the central government, with an average service radius of less than 40 kilometers. The overseas network covers more than 130 countries and regions in Asia, America, Africa, and Europe, with over 1,200 service providers.



Privacy protection

Beiqi Foton strictly adheres to the principles of legality, fairness, and necessity, and fully implements the *Foton Automotive Personal Privacy Management Measures*. The Company regularly conducts privacy protection training for employees and strengthens privacy protection in data processing through technical means, ensuring that personal privacy is maximally protected from leakage, even during data analysis. Meanwhile, we have extended the comprehensive privacy protection requirement to our distributors. Through privacy protection training and support, we ensure that all distributors adhere to the same high-standard privacy protection policy, thus jointly safeguarding customer privacy and information security. In 2024, no data or privacy leakage occurred.



Caring Foton — Enriching Employee Lives

Human resources are essential to a company's sustainable development. Beiqi Foton has been steadfastly committed to the people-oriented principle. We strive to bring together diverse talents and promote individual growth. While seeking to foster an equal, safe, and diverse workplace, we also take effective measures to safeguard employees' legitimate rights and interests and strive to turn the pressing concerns of employee into what enable their well-being, thereby achieving high-quality corporate development and employee growth simultaneously.

Our Performance:

100%

Social insurance coverage

100%

Safety education and training coverage

100%

Employee training coverage rate

Our contributions to UN SDGs



Protecting Employee Rights

In 2024

20,119

Current employees

1,240

New hires

100%

Labor contract signing rate

100%

Social insurance coverage



Honored as **the Leading Enterprise in Human Resource Digital Transformation** by Beisen on its Second User Champion Conference in 2024.

Won **the Outstanding Contribution Award** in Human Resources 2024 (North China Region) by Liepin.

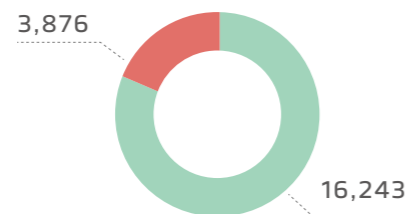
Guided by its global operations and new energy strategy, and in line with the principle of fairness, Beiqi Foton ensures equal employment opportunities for employees in accordance with national labor laws and regulations, serving the talent circulation demand at home and abroad. We also improve the compensation and benefits policies to get employees motivated, and develop open communication channels to make employees feel more engaged. Through joint efforts, we promote sustainable corporate development and deliver social, environmental, and economic benefits in a harmonious manner.

Equal employment

Beiqi Foton strictly complies with the *Labor Law*, *Labor Contract Law* and other applicable Chinese laws and regulations. Following the principles of fairness, justice, and openness, we offer equal employment opportunities to all employees, regardless of their gender, religion, ethnicity, and cultural background. We say no to discrimination and see to it that equal pay is achieved. We also explicitly prohibit child labor and forced labor. Meanwhile, we have established an effective complaint mechanism. Safe channels for employees are offered to make anonymous complaints and ensure that all complaints can be handled promptly and fairly. In 2024, we revised the *Labor Protection Management Policy for Female and Juvenile Workers*, adding clause and requirements in relation to the rights protection of female employees, such as equal employment, labor contracts, and the prevention and handling of sexual harassment. Meanwhile, there were no strikes in Beiqi Foton.

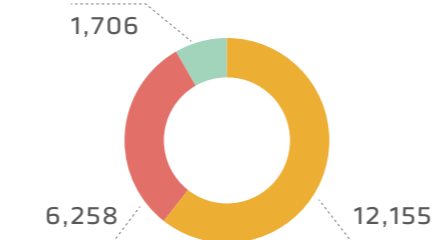
Employees by gender

Male Female



Employees by age group

Under 30 30-50 Above 50



Case

Enhancing campus recruitment to support employment in remote areas



In 2024, to meet demand for the talent reserve in strategic areas such as new energy, global operations, and digitization, a total of 802 campus talents were recruited. The employer brand covered 221 universities nationwide, spanning 26 provinces and municipalities. In the autumn of 2024, 97 campus recruitment presentations were organized across the country, alongside participation in 34 university job fairs and specialized recruitment events. Through comprehensive coordination, breakthroughs were made in key regions such as Southwest China, with special recruitment presentations conducted at universities in the western region including Xinjiang University, China University of Petroleum (Beijing) Karamay Campus, Chang'an University, Southwest Jiaotong University, and others.

Compensation and benefits

Beiqi Foton has established a performance-oriented and position-value-based compensation and incentive system. Through continuous improvement of employee shareholding, equity incentives, and other incentive management mechanisms, along with the introduction of employee shareholding plans at the listed company, a long-term incentive mechanism has been put in place to stimulate internal motivation. From 2020 to present, the employee shareholding plan has been implemented for 8 periods.

In 2024, to stimulate the momentum of marketing team, Beiqi Foton innovated in its performance management and reward mechanisms, providing institutional support for the collaborative operations of three pillars of direct sale. We have established a mutual system with organizational development in order to ensure the team's food, accommodation, and transportation needs are met.

Beiqi Foton has established a comprehensive welfare system that aims to inspire the value of its talents through institutional guarantees, development empowerment, and humanistic care. To provide the fundamental guarantee, compliance assurance serves as the cornerstone, with strict adherence to statutory benefits such as the five social insurances and one housing fund. Human-centered design is applied through policies like paid annual leave, parental leave, and rewards for only children. To further development, the Company focuses on creating a livable environment project by providing talent apartments, affordable housing options, work residency permits, and employee cafeterias. These combined measures aim to ensure employees live and work in a comfortable environment. To promote its value, a spiritual belonging system is constructed, enhancing organizational warmth through initiatives like holiday celebrations, fitness tracks, on-site medical facilities, major illness coverage, assistance with children's education, and other heartwarming actions. These efforts address employees' immediate concerns, elevate the organization's atmosphere, and create a career development platform that fosters a strong sense of belonging.

Case

Beiqi Foton offers employees housing benefits with the "Affordable Housing Project"



Buying a house is hard and costly in China. In response, Beiqi Foton has launched the "Affordable Housing Project". The Company applied to local governments for 273 affordable houses to address the pressing concerns of employees.



Democratic communication

Beiqi Foton attaches great importance to democratic communication and democratic management. We regularly convene company-level workers' congress and have set up the Reception Day with the Labor Union Chairman. Smooth the communication channels of employees and enhance their enthusiasm for democratic management. For overseas employees, we have established local labor unions, and local employee seminars are organized to track the opinions and suggestions of local employees on corporate management and development plans. In this manner, we strive to safeguard employees' rights to information, participation, expression, and supervision regarding major matters, and enhance employees' sense of ownership.

Safeguarding Employee Safety

In 2024

30,000+

Safety target responsibility letters signed

100%

Safety education and training coverage

11

Organizations passed the certification audit on the occupational health and safety (OH&S) management system and kept their audit efforts

In 2024

1,373

Hidden hazards troubleshot

0

Work-related fatalities

114

Safety technology improvements reported

4,038

Points of risk identified and zoned

31

Types of points of risk optimized

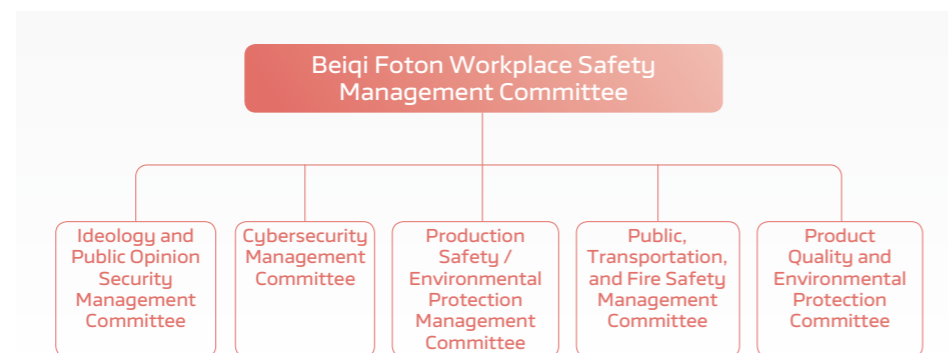
At Beiqi Foton, safety and health are regarded as the cornerstone of business operations. Committed to the management approach of "people first, law-based governance, risk pre-control, and intrinsic safety", we continuously optimize our work safety and occupational health management system, intensify investment in occupational safety and health, and ramp up efforts in fostering safety and health culture. All these efforts are geared towards creating a safe and healthy working environment for employees.

Occupational safety

Beiqi Foton fully implements applicable national laws, regulations, and policies on work safety. We continuously strengthen safety management and work to establish a sound organizational structure for work safety. Additionally, we implement the work safety accountability mechanism and promote safety awareness among employees to foster a positive safety culture.

Safety management

In strict adherence to the *Law of the People's Republic of China on Work Safety*, Beiqi Foton has pioneered the "integrated safety" management model to advance intelligent management in safety and environmental protection, aiming to achieve a "zero" accident/incident goal. Beiqi Foton has established a two-tiered business management organization to uphold the principle of balancing safety and operations. The Company's innovative "integrated safety" management model includes the formation of a Safety and Environmental Protection Management Committee led by the Party Secretary/Chairman and General Manager. The Committee integrates safety and environmental work across various domains such as ideological and public opinion security, cybersecurity, production safety/environmental protection, public and transportation/fire safety, and product quality safety into a cohesive whole. Moreover, standardized systems have been set up, relevant management documents have been formulated, and mechanisms like monthly professional committee reviews and quarterly company safety committee reviews of key work implementation have been established to ensure the effective operation of the comprehensive safety mechanism.



Beiqi Foton Safety Management Structure

Work safety

In line with the principle of "prevention first, focus highlight, and comprehensive management", Beiqi Foton has established a visualized command center for safety and environmental protection. This center fully integrates various systems: real-time video surveillance of production sites via monitoring systems, online early warning and alerting of safety and environmental data in key areas via detection systems, automatic identification and alerting of hazardous events via AI systems, and automatic business operation evaluation via management systems. It has become a leading digital and intelligent management system in the commercial vehicle industry, driving a profound transformation of safety and environmental protection management from traditional models to intelligent approaches.

Preventing and controlling safety risks

- Develop a special plan for safety technology improvement.
- Set up the Safety Management Visualization Command Center.
- Build a digital safety management system for the Group and plants.
- Establish a "safety risk whistle-blowing" mechanism.
- Increase the installation of dedusting equipment at fixed points to minimize occupational hazards, such as pneumoconiosis caused by welding dust.
- Use forced ventilation, robot operations, and other means to minimize occupational hazards, such as occupational poisoning caused by the application of benzene.

Strengthening investigation of hidden hazards

- Develop a dual prevention mechanism for safety risks with graded control as well as troubleshooting and handling of hidden hazards.
- Improve the "Snap a Photo" module in the safety information system.

Strengthening emergency drills

- Develop detailed monthly emergency drill plans.
- Implement and improve emergency response plans on a regular basis.
- Manage emergency supplies.
- Sharpen the capabilities of emergency rescue teams.

Measures to ensure work safety



Public safety inspections



Fire emergency drills for employees

Safety culture

Beiqi Foton fosters a culture where everyone prioritizes safety by launching a new 'welink' safety information WeChat account. This platform disseminates materials on safety laws, warning cases, and safety tips to enhance and improve the safety skills and awareness of all employees. Additionally, it uses its official WeChat account and video channel to promote organizational activities, safety management updates, and outstanding individuals. This proactive approach highlights the achievements and highlights of safety work, encouraging active participation from all employees in safety management. Moreover, we organize a variety of safety education and training activities, such as the An Kang Cup knowledge competition, online occupational disease prevention quizzes, safety hazard-spotting contests, full-staff hazard awareness initiatives, and Safety Promotion and Consultation Day events. These efforts aim to further expand the influence of safety practices and increase employee participation in safety management. In 2024, we revised 686 safety training courses for new employees (three-level training program), developed 20 visualized micro-courses on safety, and created 4 standardized safety management courses.



Promotion of work safety



Traffic safety training

Supporting Employee Growth



1

Owner of National Skill Master Studio

7

National Technical Experts

1

High-Skilled Talent with Distinguished Contributions in Beijing

9

Receivers of Special Allowance for Skilled Workers from the Beijing Government

2

Owners of Beijing Municipal Skill Master Studio

2

Workers selected in the TaiShan Industrial Experts Programme

Embracing the people-oriented tenet, Beiqi Foton continuously expands the room for employees to grow. We pay attention to employee training and development and provide diversified training for upskilling. We also offer employees unblocked pathways for career advancement to ensure their successful career development.

Career development

In pursuit of sustainable development, Beiqi Foton firmly upholds a people-oriented talent philosophy, recognizing that talent is the core driving force behind a company's long-term growth and sustainable success. We constantly focus on the long-term value and development potential of our people, viewing them as the cornerstone for building the Company's future competitiveness.

We have continuously improved the cadre team-building mechanism from "position vacating" and "talent selection" to "talent cultivation" across the cycle. By implementing the incentive and assessment mechanism for cadres, we enable their "promotion and demotion". We have launched the "Beiqi Foton Future Program" (FF Program) to provide a broader growth space for outstanding young employees. We have also implemented the "Huanxing" program to build five teams in marketing, R&D, supply chain, overseas business, and CPC party building, and to form a "large-scale circulation" mechanism. As of the end of 2024, the proportion of post-90s cadres is 21%. Furthermore, for overseas employees, we enforce the equal management and equal opportunities for local employees. It is encouraged to promote local employees to management positions to gradually realize the transition from "Chinese managing locals" to "locals managing locals".

Building a diversified career development system

Beiqi Foton has established the 3T career development model, designing dedicated career paths for five distinct talent groups based on different employee levels and roles. This model provides comprehensive support for both vertical and horizontal growth opportunities.

Job rotation mechanism to foster career exploration

A three-tier job rotation mechanism has been implemented to encourage employees to explore different roles, helping them discover the career paths that best align with their individual strengths and capabilities through hands-on experience.

Strategic talent ecosystem

Based on the overall strategic development, Beiqi Foton focuses on precise talent deployment around its six "1+1" business strategies. The Company is fully committed to building an internal talent ecosystem, with particular emphasis on key areas such as R&D, marketing, supply chain, and international talent, forming a robust internal circulation system.

Employee Training

To achieve the goal of "fostering a crew of high-quality talents with a global perspective, innovation capabilities, and technical expertise to promote the sustainable development and competitive edge of the Company in the new energy sector and internationalization", we fully implement our talent strategy and develop a talent training system. Based on our "headquarter + business unit + branch" management model, we offer employees "convenient, light-weighted, and practical" training programs and scenario-based training through "learning, practice, and review". We have also launched the Foton Talent Development Center and other vocational and skills training programs to provide employees with all-round and multi-level learning opportunities and to help broaden their horizons, improve their skills, and enhance their competence.

In 2024



6,160,000

yuan
Investment in staff training

100%

Employee training coverage rate

5,465

Individuals obtaining nationally accredited vocational qualification certificates



Induction training for fresh graduates



Training for entrepreneurial team



Skill accreditation



Skill competition

Case

Beiqi Foton strengthens the building of postdoctoral research workstations



Beiqi Foton continues to improve the development of postdoctoral research workstations, further enhancing cooperation with research institutions. This initiative aims to attract high-level technical talents with cutting-edge research capabilities, enhance the development of new technologies and key technical areas within the company. It is also intended to boost technological innovation capabilities, facilitate the transformation of scientific achievements, and catalyze talent development mechanisms within the company. In 2024, the Company recruited 5 doctoral candidates for joint training programs with Tsinghua University and Beijing Institute of Technology. The research focus of these candidates is on intelligent driving and fuel cell technology.

Warming the Hearts of Employees

At Beiqi Foton, the people-oriented philosophy is always at the core of our corporate culture. In addition to practicing democratic management and caring for the physical and mental health of employees, we also pay special attention to the rights and well-being of female employees, and strive to create a gender-equal and harmonious workplace. We offer timely and effective assistance to employees in difficulties to ensure that every employee can feel the care from the Company. Furthermore, we pay attention to the work-life balance of our employees. We organize a variety of cultural activities to promote the well-being and sense of belonging of our employees and to jointly create a warm and harmonious Foton homeland.

Care for female employees

Beiqi Foton has always attached great importance to safeguarding the "rights and well-being" of female employees, striving to create a gender-equal and harmonious workplace environment. To ensure the protection of women employees' rights and interests, a series of initiatives have been implemented. This includes establishing a Female Workplace Safety Management Committee and signing a *Collective Contract for the Protection of Female Employees' Rights and Interests* with all female staff members. Further efforts have been made to set up nurturing rooms and organize a series of activities under the theme "Blooming Beauty," such as the reading event themed "Roses & Books", flower arranging classes, parent-child carnivals, and women's health seminars, to further inspire the growth of female employees. By the end of 2024, 27 nurturing rooms have been established, with 10 of them recognized as municipal-level nurturing rooms in Beijing.



Commendation meeting on International Women's Day



Reading event themed "Roses & Books"

Foton health

Health is the cornerstone of employee development. Beiqi Foton has established the *Management Policy on Occupational Disease Prevention and Control* and the *Management Policy on Occupational Health and Safety Performance Assessment*. The Company regularly organizes health seminars on which experts are welcomed to disseminate knowledge on occupational disease prevention, health maintenance, and conducts comprehensive employee health check-ups periodically to establish health records, all aimed at promoting the health of Beiqi Foton.

Foton care

With a heart full of care, Beiqi Foton focuses on assisting employees facing difficulties. The Company has set up a special assistance fund to provide timely financial aid to employees experiencing sudden accidents or major illnesses. In addition, they offer psychological support services by introducing counseling psychologists to help employees alleviate mental stress in work and life. Beiqi Foton also holds a series of heartwarming events to provide employees with all-round care, ensuring that each employee can feel the company's care and support.



Showing care for employees in high-altitude test area



Showing care for employees in hot summer

Colorful employee lives

Beiqi Foton plans a variety of cultural and entertainment activities in an elaborate manner such as artistic performances, singing competitions, photography contests, etc., providing employees with a platform to showcase their talents. Moreover, the Company organizes outdoor team-building activities, parent-child study tours, and other events to enhance relationships among employees, alleviate work-related stress, and allow employees to enjoy work and life in a relaxed and pleasant atmosphere, fostering a joyful Beiqi Foton.

In 2024

486

Cultural and sports activities organized



Beiqi Foton's 28th anniversary celebration



Collective wedding of Beiqi Foton employees



Study tour for Foton second generation



Beiqi Foton's carnival event



The 9th employee sports day



Beiqi Foton factory eco-run

Multicultural communication

Beiqi Foton's employees are scattered all over the world. To promote cultural exchange and fusion, we have carefully orchestrated a variety of localized activities. By promoting bilingual office work, encouraging local employees to learn Chinese, conducting regular training for local employees in the headquarters, and setting up a special session for overseas employees at the annual meeting, we break down cultural barriers and enhance employees' sense of belonging.



Ethiopian employees celebrate the 28th anniversary of Beiqi Foton's establishment



Team building of local employees



Foton week for chief experience officer



Special session for overseas employees at the annual meeting



Philanthropic Foton — Making a Better Society of Harmony

While pursuing high-quality development, Beiqi Foton has always kept in mind to care about society and do good deeds. We have been committed to our mission with the faith that "Foton unswervingly serves major national events; Foton always answers to the call of the state". We are also dedicated to rural vitalization and have taken tangible actions to help the disadvantaged group to keep warmth and hope to carry on.

Our Performance:

1,277

Volunteers

2,160

Hours contributed to voluntary service activities

8.1113

million yuan Investment in rural vitalization

Our contributions to UN SDGs



Foton unswervingly serves major national events

As a leading commercial vehicle brand in China, Beiqi Foton has offered services for various high-standard national events, including the 2017 PLA Day parade, Hong Kong's 20th Return Anniversary parade, the 70th National Day military parade, the grand gathering celebrating the centenary of the Communist Party of China, Beijing's "Dual Olympics" (2008 Summer Olympics and 2022 Winter Olympics), China's Two Sessions, the G20 Summit, and the Asia-Pacific Economic Cooperation conference. Through the provision of services for the national events, we have challenged ourselves and made it to offer "national-level quality" products and services in all respects, whether in hard powers or soft powers.



Beiqi Foton AUV buses serve as the official designated vehicles for the G20 Hangzhou Summit.



Beiqi Foton's specialized ceremonial floats serve the 70th National Day military parade.



More than 1,000 Beiqi Foton AUV new energy buses ensure the smooth operations during the grand gathering celebrating the centenary of the Communist Party of China, marking the first large-scale deployment of hydrogen fuel cell buses for a national-level event.



Over 1,300 Beiqi Foton vehicles serve the Beijing 2022 Olympic Winter Games, including 515 hydrogen fuel cell buses. This achievement sets two historic records for hydrogen fuel cell buses at international sporting events: largest fleet size and most vehicle models.



Beiqi Foton Toano escorted taikonauts back for the sixth consecutive time (from Shenzhou 13 to Shenzhou 18).



Beiqi Foton AUV buses have consistently provided shuttle services for the Two Sessions for 20 consecutive years.

Supporting Rural Vitalization

In 2024

8.1113 million yuan

Investment in rural vitalization

567

Beneficiaries of our rural vitalization initiatives

Beiqi Foton takes consumption-driven assistance as the key to urban-rural connectivity, industrial prosperity, and farmers' income increase. We have stepped up efforts in organizational construction across the board and built up strength for rural vitalization to expand the pipeline for farmers to increase their income. Meanwhile, we have strengthened employment support comprehensively. By collaborating with universities, we deepen the industry-education integration and promote the organic connection between educational institutions and industrial chains, paving the way for the high-quality development of green transportation in Hotan and other assisted areas.

Case

Beiqi Foton Auhawk & Aumark Business Unit supports rural vitalization through consumption-driven assistance



In response to the call of the Group, the Beiqi Foton Auhawk & Aumark Business Unit actively provided consumption-driven assistance to support rural vitalization. Every year, the Business Unit purchases over 200,000 yuan worth of poverty alleviation products during important festivals such as the Mid-Autumn Festival and the Spring Festival to convey love and warmth with tangible actions.



Beiqi Foton Pickup Business Unit offers consumption-driven assistance.

Poverty alleviation banner received by Beiqi Foton Auhawk & Aumark Business Unit from Changping Branch of Beijing Innovation and Entrepreneurship Center for Consumption-Driven Poverty Alleviation.

Beiqi Foton AUV Bus Business Unit offers consumption-driven assistance.

Case

Beiqi Foton's smart buses upgrade Hotan's public transportation network, further strengthening the Beijing-Hotan friendship



Industrial supporting for Xinjiang and emerged as a new engine for local people's well-being and regional prosperity. Our 2012 initiative saw us donate 60 AUV buses from Beijing to Hotan, which have since carried 102 million passengers across 22 million kilometers of service. Through our consistent efforts, we have supported the development of Hotan's green transportation while deepening the friendship between Beijing and Xinjiang communities. In response to the nation's call again, Beiqi Foton has launched a new phase of assistance to Xinjiang in 2024. We provided AUV BJ6105 pure electric smart buses, which combine cutting-edge technology with eco-friendly performance, for Hotan's public transportation network. This initiative allows us to enhance transport convenience for local residents and accelerate the development of the region's green transportation, further strengthening the Beijing-Hotan friendship.



"A New 12-Year Journey for Beijing-Hotan Friendship"—Beijing-Hotan New Energy Buses Donation Ceremony.

Giving Back to the Community

Bearing in mind people's well-being and harmonious development, we constantly build a community of "second pioneering" for shared growth and sincerely fulfill our corporate social responsibilities. For 28 years, we have weathered every storm while sowing seeds of social good. With responsibility as our compass, we fulfill our dual mandate: as a state-owned enterprise, we drive industrial progress to contribute to our country; as a caring corporate citizen, we weave humanity into every decision to pave the foundation for our business development. As a result, we achieve business development and social value generation simultaneously.

Foton demonstrates boundless dedication through concrete actions

CCTV journalists travel aboard Foton buses to the Roof of the World, advancing sustainable development in Xizang.

In October 2024, the "Across Mountains and Seas: Blossoming on the Plateau—Exploring China by Bus (Xizang)" large-scale integrated media campaign was launched. For years, as a Beijing state-owned enterprise, Beiqi Foton has proactively responded to the calls of the Beijing Municipal Committee of the Chinese Communist Party and Beijing Municipal People's Government, and faithfully fulfilled our responsibilities as a state-owned enterprise. Through educational support, industrial development, market expansion, and other innovative measures, we help nurture flourishing Xizang communities, demonstrating our unwavering commitment as a Beijing SOE.



Beijing-Yushu Strategic Cooperation Agreement Signing & Vehicle Delivery Ceremony

In December 2024, the "Beijing-Yushu: United in Purpose, Connected Through the Three Rivers" Strategic Cooperation Agreement Signing and Vehicle Delivery Ceremony was held in Beijing. During the event, Beiqi Foton delivered 26 AUV BJ6105 pure electric buses to Yushu City, providing high-quality public transportation services for local residents. This initiative enables us to support the efficient and eco-friendly development of Yushu's public transportation network, further strengthening the Beijing-Yushu friendship.



Beiqi Foton supports disaster relief and reconstruction in the flood-stricken area.

In August 2024, Beiqi Foton offered "General G9" pickup trucks to fully support the relief and post-disaster reconstruction in the flood-stricken area in Mentougou District of Beijing.

Foton extends goodwill to every corner of the nation

Beiqi Foton's "Whistle in the Mountain" charity event

For six consecutive years, Beiqi Foton has hosted the "2024 Golden Road 'Whistle in the Mountain'" charity event. This year, we extended care to left-behind children at Dagou Village Primary School in Ninglang County, Lijiang City, Yunnan Province, contributing our share to a more harmonious society.



The 3rd Anniversary of Beiqi Foton & Dongcheng Environmental Sanitation Center's Rest Station

On the 3rd anniversary of the establishment of the Beiqi Foton & Dongcheng Environmental Sanitation Center's Rest Station, we launched the "Care for Sanitation Workers" activity to enhance the well-being of sanitation workers and support Beijing's urban beautification efforts.



Beiqi Foton's "Home-to-School" safety commitment

Beiqi Foton has developed the AUV school bus to safeguard students' daily commutes and ensure they travel between home and school through seamless "hand-to-hand" transfers without any bus changes. As an innovative addition to Beijing's extensive public transportation network, our school bus creates a new development paradigm of public transportation in the capital.



Outlook

2025 marks the concluding year of China's 14th Five-Year Plan, which is also a pivotal year for Beiqi Foton to refine new quality productive forces and leapfrog towards high-quality development. Facing the "most turbulent period in a century" for the automotive industry, we will persist in seeking progress while maintaining stability and promoting stability through progress. To this end, we will unwaveringly move forward guided by the ESG strategy, and bear in mind the practical theories of how to "turn the impossible into possible, the possible into reality, and the reality into excellence". Specifically, we will "make the first move" in green transition, "throw a punch combination" across the value chain, make our products "go global", build a strong compliance foundation, care for our employees, and give back to communities to incentivize a "second entrepreneurial wave", set the trend of sustainable development, and sail towards a brand new future of green, technology-driven and free development.



"Make the first move" in green transition

We will take the new energy 30-50 strategy as the core and pursue three-pronged development in "pure electric + hybrid + fuel cell" to cut pollution and carbon emissions simultaneously and to lead the green and low-carbon transition of the industry.

"Throw a punch combination" across the value chain

Putting "customers and value creation" at the core, we will work with value chain partners to seize the new opportunities of globalization, create a favorable business ecosystem, and build a "community with shared development".

Make our products "go global"

We will bring together global wisdom to accelerate the green and smart progress of the global logistics and transportation industry with our forward-looking and industry-standard green technologies, and our intelligent connected technologies and products.

Build a strong compliance foundation

We will deepen law-based operations, enhance business ethics, fortify accountability, and set up "protective net" to effectively safeguard investors' rights and to secure the foundation of sustainable development with efficient compliance management.

Care for our employees

Taking innovative and win-win development as the guiding principle, we will cultivate the soil for talent development and radically implement "heartwarming projects" to offer platform and growth opportunities and bring more happiness to workers.

Give back to communities

We will stay close to the society. We will keep serving high-profile national events with "national-level quality", and undertaking social welfare causes to bring well-being to millions of families and to every corner of the world.

Key Performance Table

Environmental

Indicator	Unit	2024
Greenhouse gas emissions¹		
Total greenhouse gas emissions	t CO ₂ e	177,227
Greenhouse gas emission intensity	tCO ₂ e / vehicle	0.29
Total greenhouse gas emissions reduced	tCO ₂ e	12,684
Greenhouse gas emissions - Scope 1	tCO ₂ e	47,047
Greenhouse gas emissions - Scope 2	tCO ₂ e	130,180
Energy usage		
Total energy consumption	tce	59,542
Energy intensity	tce / vehicle	0.097
Direct energy consumption	tce	26,784
Indirect energy consumption	tce	32,758
Total usage of renewable energy	tce	2,854
Renewable energy usage - photovoltaic power generation	MWh	21,132.70
Total consumption of non-renewable energy	tce	56,688
Natural gas usage	10,000 m ³	1,527.01
Gasoline usage	ton	799.89
Diesel usage	ton	3,634.88
Outsourced electricity	MWh	158,525.10
Outsourced heat	GJ	313,003.76
Purchase green electricity	MWh	2,085
Cumulative installed capacity of photovoltaic power generation	MW	33

Note: The carbon emission data is calculated in accordance with the Requirements for Carbon Dioxide Emission Accounting and Reporting – Other Industrial Enterprises (DB11/T 1787-2020), and does not include carbon emission sources like CO₂ consumption and emissions from septic tank systems

Indicator	Unit	2024
Resource use		
Total consumption of water resource	10,000 ton	167.19
Municipal water supply	10,000 ton	144.09
Water resource consumption per unit output	m ³ /vehicle	2.74
Total usage of packaging materials	ton	2,825
Usage density of packaging materials	ton/vehicle	0.06
Waste discharge¹		
Nitrogen oxide emissions	ton	4.48
Volatile organic compound emissions	ton	526.55
Total wastewater discharged	10,000 ton	82.91
Wastewater discharged - industrial wastewater	10,000 ton	40.31
Wastewater discharged - domestic wastewater	10,000 ton	42.60
Wastewater discharge reduced	10,000 ton	3.70
Chemical Oxygen Demand emissions	ton	43.18
Ammonia nitrogen emissions	ton	3.23
Total non-hazardous waste generated	ton	17,974
Non-hazardous waste disposed	ton	17,974
Total hazardous waste generated	ton	2,631
Hazardous waste disposed	ton	2,556

Note 1: Waste discharge includes only production units.

Social

Indicator	Unit	2024
Employee Management		
Current employees	headcount	20,119
Other types of employees (labor+other)	headcount	1,871
New hires	headcount	1,240
Employees from ethnic minorities	headcount	472
Employees by gender	Male	headcount 16,243
	Female	headcount 3,876
Employees by age group	Under 30	headcount 6,258
	30-50	headcount 12,155
	Above 50	headcount 1,706
R&D staff ratio	%	17.6
Labor contract signing rate	%	100
Social insurance coverage	%	100
Employee turnover rate	%	7.21
Investment in employee training	million yuan	6.16
Employee training coverage rate	%	100
Total training hours	hour	416,904.7
By gender	Male	hour 339,419.96
	Female	hour 77,484.74
By rank	Middle and senior management	hour 4,361.44
	Ordinary employees	hour 412,543.26
Community Development		
Investment in rural vitalization	million yuan	8.1113
Volunteers	headcount	1,277
Voluntary service hours	hour	2,160

Corporate operation

Indicator	Unit	2024
Business situation		
Total assets	yuan	51,848,813,100
Total profits	yuan	62,002,100
Net profit attributable to owners of the parent	yuan	80,542,800
Tax payment	yuan	703,149,300
Board of Directors		
Number of directors	headcount	11
Majority shareholder directors	headcount	3
Strategic minority shareholder directors	headcount	1
Independent directors	headcount	4
Internal directors	headcount	3
Female directors	headcount	1
Board of Supervisors		
Number of supervisors	headcount	9
Majority shareholder supervisors	headcount	1
Strategic minority shareholder supervisors	headcount	5
Employee representative supervisors	headcount	3
Female supervisors	headcount	2

Indicator Index

Contents	GRI Standards	Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)
About This Report	2-3、207-4	Article3
Chairman Address	2-14、2-22	Article2
About Us	2-1、2-7、2-9、2-22、201-1、201-2、301-1、302-1、302-4、305-1、305-5、401-2、403-1、403-5、405-1、413-1、414-1	Article12、Article21、Article24、Article35、Article37、Article42、Article 50
ESG Management	2-12、2-13、2-14、2-22、3-1、3-2、3-3	Article10、Article11、Article12、Article52、Article 53
Spotlight	203-1、203-2、413-1	Article40、Article48
Innovative Foton — Securing More Resilient Sustainability	Enhancing Party Building	205-1、205-2
	Fortifying Corporate Governance	2-9、2-12、2-13、2-17
	Enhancing Risk Prevention and Control	2-15、2-27、419-1
Tech Foton — Empowering Freer Mobility	Upholding Business Ethics	206-1、419-1
	Leading Sci-tech Innovation	203-1、203-2
Green Foton — Bringing Vibrancy to Nature	Forging Excellent Quality	203-1、203-2、417-1
	Integrating Digitization and Intelligence	/
	Addressing Climate Change	201-2、301-2、301-3、305-5
Green Foton — Bringing Vibrancy to Nature	Optimizing Resource Use	302-4、302-5、303-1、303-2、303-3、306-1、306-2、306-3、306-4、306-5、307-1
	Preserving Ecological Beauty Together	304-2、304-3
		Article21、Article22、Article23、Article24、Article25、Article26、Article27、Article28
		Article30、Article31、Article33、Article35、Article36、Article37
		Article32

Contents	GRI Standards	Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)
Cohesive Foton — Strengthening Bonds with Partners	Building a Sustainable Supply Chain	308-1、308-2
	Fostering a Sustainable Ecology Together	414-1、414-2、417-1
	Delivering Premium Services	416-1、416-2、418-1
Caring Foton — Enriching Employee Lives	Protecting Employee Rights	2-7、2-19、2-20、2-30、201-3、401-1、401-2、401-3、405-1、405-2、406-1
	Safeguarding Employee Safety	2-7、403-1、403-2、403-3、403-4、403-5、403-6、403-7、403-8、403-9、403-10
	Supporting Employee Growth	2-7、404-2、404-3
Philanthropic Foton — Making a Better Society of Harmony	Warming the Hearts of Employees	2-7、405-1
	Foton unswervingly serves major national events	203-1、413-1
	Supporting Rural Vitalization	203-1、203-2
Outlook	Giving Back to the Community	203-1、203-2、413-1
		2-22、201-2、305-5、404-2、413-1
Key Performance Table		2-8、201-1、201-2、204-1、302-1、302-2、302-3、302-4、305-1、305-2、305-4、305-5、401-1、404-1、403-9
		Article24、Article30、Article31、Article35、Article36、Article37、Article39、Article40、Article42、Article50
Indicator Index	/	Article57
Assurance Statement	2-5	Article58
Feedback	/	Article9

Assurance Statement

TUVNORD

Assurance statement No. CN-202503-CSR-03

Assurance Statement of Sustainability Report

TUV NORD (Hangzhou) Co., Ltd. (hereinafter referred to as 'TNHZ') has been commissioned by the management of Beiqi Foton Motor Co., Ltd. (hereinafter referred to as 'Beiqi Foton') to carry out an independent third-party assurance of Beiqi Foton's 2024 Sustainability Report (hereinafter referred to as 'report').

Beiqi Foton is responsible for the collection, analysis, aggregation and presentation of information within the Report. TNHZ carries out this work (assurance of the report) within the terms of reference agreed in the agreement with Beiqi Foton. Beiqi Foton is the designated user of this statement.

This statement is based on the 2024 Sustainability Report prepared by Beiqi Foton. Beiqi Foton is responsible for the integrity and authenticity of the information and data in the report.

User of Assurance Statement

This assurance statement is provided to all stakeholders of Beiqi Foton.

Assurance Scope

- The Report discloses key sustainability performance and related information that happened in 2024.
- We evaluated the management process of collection, analysis, inspection of the information and data.
- Due to the economic data/ carbon emission data had been audited by the third party, we did not do double audit this time.

The assurance was done on 24-26.02.2025.

Assurance Methodology

The assurance process includes the following activities:

- Review the document information which is provided by Beiqi Foton.
- Interview the person who collected the report information.
- View the related websites and media reports, verify the data and information through sampling method.
- Refer to GRI Sustainability Reporting Standards (GRI Standards 2021) for sustainable development reporting on balance comparability, accuracy, timeliness, clarity and reliability requirements, we evaluate the report.

Assurance Standard and Level

TNHZ Rules for the Implementation of Report Assurance SC-P-A015, Rev.00 (refer to AA1000 Assurance Standard (V3)/ ISSA 5000 General Requirements for Sustainable Development Assurance), assurance level: medium assurance/ limited assurance

Assurance Conclusion

The 2024 Sustainability Report prepared by Beiqi Foton comprehensively disclosed the actions and performance of Beiqi Foton in fulfilling its sustainability in 2024. The data in the Report is reliable and objective and TNHZ found no systemic or substantial errors.

- **Impact:** Through stakeholder questionnaire survey, the report identifies the significant impact on the enterprise itself and stakeholders 18 topics (climate change response, sustainable utilization of resources, research and innovation, employee rights protection, sustainable supply chain, etc.), and will focus on the disclosure of relevant information in the report to ensure that the report influence.
- **Balance:** The report discloses the data such as the number of working days lost due to injury and the total amount of waste water discharged, etc., with a certain degree of balance.
- **Accuracy:** Sampling verify finds that cases and data disclosed in the Report are generally objective and accurate.

TUVNORD

Assurance statement No. CN-202503-CSR-03

- **Timeliness:** The disclosure period of the Report is sustainable development performance in 2024. The Report is timely.
- **Clarity:** The Report uses various formats such as pictures, charts, annotations, etc., making the information in the Report comprehensible.
- **Reliability:** ESG Department of Beiqi Foton is responsible for collecting, recording, compiling and analyzing the information and processes used in preparing the Report. Sample data could be traced back to their sources, ensuring the quality and materiality of the information to a certain extent.

Recommendation for Improvement

Through assurance and evaluation, we have following improvement suggestions on sustainable development practice and management.

- The report should provide historical data on the relevant topics to demonstrate the comparability of the report and facilitate stakeholders to understand the long-term sustainability performance of the company.
- Collect suggestions and opinions from various stakeholders through multiple channels, adjust and optimize issue management strategies in a timely manner, and collect and disclose information on the management methods, performance indicators, and implementation effects of substantive issues.

Special Statement

This statement excludes:

- The activity outside information reveal.
- The position, ideas, beliefs, goals, future development direction and commitment which stated by Beiqi Foton

Statement of Independence and Competence

TUV NORD is the world's leading Certification Body in inspection, testing and assurance, operating in more than 100 countries throughout the world and providing services which includes management systems and product certification, quality, environmental, occupational health and safety, social responsibility auditing and training, environmental, social responsibility and sustainability report assurance.

TUV NORD (Hangzhou) Co., Ltd. is an independent organization registered and established by TÜV NORD in China and ensure that there are no conflicts of interest with Beiqi Foton or its branches and stakeholders during the implementation of the assurance process of this report. All information in this report was provided by Beiqi Foton, and TNHZ was not involved in the report preparation process.

TUV NORD (Hangzhou) Co., Ltd.

The authorized person: Mr. Wang Peng

Date: March 17th, 2025

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

Feedback

Dear readers,

Thank you for reading this report. We sincerely look forward to your evaluation of this report and invite you to leave your valuable feedback so that we can continuously improve our ESG capability.

Multiple choice questions (please mark " ✓ " in the corresponding option)

1. For Beiqi Foton, what is your identity?

- Government Investor Employee Customer Supplier
 Distributor Partner Pee Community and the public
 Media Non-governmental organization Others

2. What do you think of Beiqi Foton's ESG performance:

- Very Good Good General Poor Very poor

3. What is your overall impression of the report:

- Very Good Good General Poor Very poor

4. What do you think of the quality of ESG information disclosed in the report :

- Very Good Good General Poor Very poor

5. What you think the report structure:

- Very Good Good General Poor Very poor

6. What do you think of the format design and presentation of the report:

- Very Good Good General Poor Very poor

7. What improvement suggestions do you have for Beiqi Foton's ESG initiatives and sustainability report?



QR code for reader
feedback



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