

Closing price of the Class A ordinary shares on the date of grant HK\$ 53.650 per share

Vesting condition and periods The RSUs shall be subject to a service-based vesting condition.

Subject to the terms of Senior Management Grant and the 2019 Equity Incentive Plan, the RSUs granted under the Senior Management Grant shall vest in accordance with the following schedule:

25% of the RSUs granted shall become service-vested on each anniversary of the vesting commencement date, which shall be October 1, 2023, for four (4) years after the grant.

Subject to the terms of Employee Grants and the 2019 Equity Incentive Plan, the RSUs granted under the Employee Grants shall vest in accordance with the following schedule:

- (i) for a portion of the RSUs representing 78.91% of the RSUs under the Employee Grants shall vest in equal portions on October 1, 2024, October 1, 2025, October 1, 2026 and October 1, 2027, respectively.
- (ii) for a portion of the RSUs representing 2.19% of the RSUs under the Employee Grants shall vest in equal portions on April 1, 2024, April 1, 2025, April 1, 2026 and April 1, 2027, respectively.
- (iii) for a portion of the RSUs representing 18.9% of the RSUs under the Employee Grants, 25% of which shall vest on October 1, 2024, and the remaining 75% shall vest in equal portions of 6.25% on January 1, 2025, April 1, 2025, July 1, 2025, October 1, 2025, January 1, 2026, April 1, 2026, July 1, 2026, October 1, 2026, January 1, 2027, April 1, 2027, July 1, 2027 and October 1, 2027, respectively.

According to the 2019 Equity Incentive Plan, the Administrator, in its sole discretion, shall determine the time or times when Awards may be vested. The vesting period for part of the RSUs granted to the employees is shorter than 12 months because the RSUs granted under the Employee Grants have a mixed vesting schedule, such that the relevant RSUs vest evenly over a period of four years.

Performance targets The vesting of the RSUs under the Senior Management Grant shall be subject to the achievement of performance targets. The Company has in place a standardised performance appraisal system to comprehensively evaluate the performance and the contribution of the senior management to the Group based on a matrix of indicators that vary according to the roles and responsibilities of the senior management. The indicators include, but are not limited to, work quality, efficiency, collaboration, management and strategy. The Company will determine whether the relevant senior management member meets the performance targets based on his performance appraisal results for the relevant period. The relevant senior management member must achieve Grade B or above in his

performance appraisal results during the respective vesting period to have the RSUs granted become fully vested.

The vesting of the RSUs under the Employee Grants is not subject to any performance targets.

Clawback mechanisms Pursuant to the terms of RSU Grants and the 2019 Equity Incentive Plan, in the case of any Grantee’s Termination for Cause, all of the RSUs, whether vested or unvested, shall be cancelled as of the date of his/her termination. The Company shall have the right to (i) require the Grantees to surrender some or all of the Shares underlying the RSUs which have been issued to him/her or his/her transferee for no consideration, or (ii) require the Grantees to pay the Company any and all payment in cash or other property in lieu of the Shares underlying the RSUs which he/she has received from the Company.

Term of the 2019 Equity Incentive Plan The 2019 Equity Incentive Plan commenced on June 28, 2020 (the “Effective Date”) and will expire on the tenth anniversary of the Effective Date unless earlier terminated. Upon expiry of the 2019 Equity Incentive Plan, any Award that is previously granted or issued shall remain in full force and effect as if the 2019 Equity Incentive Plan had not been amended or terminated, unless mutually agreed otherwise between the Company and the Participants in writing.

The new Class A ordinary shares to be issued and allotted by the Company to the Grantees under the RSU Grants represent approximately 0.27% of the total issued Shares of the Company as at the date of this announcement and approximately 0.27% of the total issued Shares of the Company as enlarged by such issue and allotment.

Class A ordinary shares available for future grant under the 2019 Equity Incentive Plan

The Company renewed on January 1, 2021 the maximum number of RSUs which may be granted under the 2019 Equity Incentive Plan to 63,192,227, which represented 4% of the total outstanding Shares of the Company on December 31, 2020. As at the date of this announcement and following the RSU Grants, 35,883,569 RSUs (representing equal number of underlying Class A ordinary shares) may be further granted under the 2019 Equity Incentive Plan.

Definitions

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“2019 Equity Incentive Plan” the equity incentive plan approved and adopted in June 2020, as amended and restated in August 2020 and June 2021

“Administrator” the Committee or any member(s) of the Board or officer(s) of the Company whom the Committee has delegated its authority to act as the Administrator as provided in the 2019 Equity Incentive Plan

“ADSs” American depositary shares, each of which represents two Class A ordinary shares

“Award(s)”	award(s) in the form of restricted shares, RSUs, dividend equivalents, share appreciation rights and share payments pursuant to the 2019 Equity Incentive Plan to Participant(s)
“Board”	the board of Directors of the Company
“Cause”	<p>with respect to a Participant, unless in the case of a particular Award, the particular award agreement states otherwise, (a) the applicable member of the Group having “cause,” “just cause” or term of similar meaning or import, to terminate a Participant’s employment or service, as defined in any employment, consulting or services agreement between the Participant and such member of the Group in effect at the time of such termination or (b) in the absence of any such employment, consulting or services agreement (or the absence of any definition of “cause,” “just cause” or term of similar meaning or import contained therein), the following events or conditions, as determined by the Administrator in its sole discretion:</p> <ul style="list-style-type: none"> (i) any commission of an act of theft, embezzlement, fraud, dishonesty, ethical breach or other similar acts, or commission of a criminal offense; (ii) any material breach of any agreement or understanding between the Participant and any member of the Group including, without limitation, any applicable intellectual property and/or invention assignment, employment, non-competition, confidentiality or other similar agreement or the member of the Group’s code of conduct or other workplace rules; (iii) any material misrepresentation or omission of any material fact in connection with the Participant’s employment with any member of the Group or service as a Service Provider; (iv) any material failure to perform the customary duties as an Employee or a member of the board of directors or similar governing body of any member of the Group, to obey the reasonable directions of a supervisor or to abide by the policies or codes of conduct of the Company or any other member of the Group or to satisfy the requirements or working standards of the applicable member of the Group during any applicable probationary employment period; or (v) any conduct that is materially adverse to the name, reputation or interests of any member of the Group
“Class A ordinary shares”	Class A ordinary shares of the share capital of the Company with a par value of US\$0.00001 each, conferring a holder of a Class A ordinary share one vote per share on all matters subject to the vote at general meetings of the Company
“Class B ordinary shares”	Class B ordinary shares of the share capital of the Company with a par value of US\$0.00001 each, conferring weighted voting rights in the Company such that a holder of a Class B ordinary share is entitled to ten votes per share on all matters subject to the vote at general meetings of the Company, subject to the requirements under Rule 8A.24 of the Listing Rules that the reserved matters shall be voted on a one vote per share basis

“Committee”	the compensation committee of the Board (or a subcommittee thereof), or such other committee of the Board to which the Board has delegated power to act pursuant to the provisions of the 2019 Equity Incentive Plan; provided, that in the absence of any such committee, the term “Committee” shall mean the Board
“Company”, “our Company” or “the Company”	XPeng Inc., a company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability, the Class A ordinary shares of which are listed on the Main Board of the Hong Kong Stock Exchange and the ADSs of which are listed on the New York Stock Exchange
“Director(s)”	the director(s) of the Company
“Employee”	any person who has an employment relationship with any member of the Group
“Grantee(s)”	two senior management members and 1,229 employees of the Group who were granted RSUs in accordance with the 2019 Equity Incentive Plan on October 20, 2023
“Group”	the Company and its subsidiaries and consolidated variable interest entities from time to time or, where the context so requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Participant(s)”	Holder(s) of an outstanding Award granted under the 2019 Equity Incentive Plan
“RSU(s)”	restricted share units
“Service Provider”	any person (i) who is an Employee, (ii) who provides services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are material to the long term growth of the Group; or (iii) who is a member of the board of directors or similar governing body of any member of the Group
“Share(s)”	the Class A ordinary shares and Class B ordinary shares in the share capital of the Company, as the context so requires
“Shareholder(s)”	holder(s) of Shares and, where the context requires, ADSs
“Termination for Cause”	in the case of a Participant, (i) the termination of the Participant’s status as a Service Provider for Cause or (ii) the Participant’s termination without Cause or voluntary resignation as a Service Provider if the Administrator determines at any time that, before or after the

Participant's termination without Cause or resignation, a member of the Group had Cause to terminate such Participant's status as a Service Provider

“US\$” U.S. dollars, the lawful currency of the United States of America

“%” per cent

By order of the Board
XPeng Inc.
Xiaopeng He
Chairman

Hong Kong, Friday, October 20, 2023

As at the date of this announcement, the board of directors of the Company comprises Mr. Xiaopeng He as an executive Director, Mr. Yingjie Chen, Mr. Ji-Xun Foo and Mr. Fei Yang as non-executive Directors, and Mr. Donghao Yang, Ms. Fang Qu and Mr. HongJiang Zhang as independent non-executive Directors.

** For identification purpose only*