



# 2024 ENVIRONMENTAL SOCIAL AND GOVERNANCE REPORT

Zhejiang Leapmotor Technology Co.,Ltd. (9863.HK)





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# About This Report

This is the third Environmental, Social, and Governance Report (hereinafter referred to as the “ESG Report”) published by Zhejiang Leapmotor Technology Co., Ltd. It discloses Leapmotor’s ESG and sustainability strategies, policies, practices, and performance in 2024.

## Preparation basis

The report is prepared by mainly referring to the *Environmental, Social, and Governance Reporting Guide* (hereinafter referred to as the “ESG Reporting Guide”) of Appendix C2 of the *Main Board Listing Rules* of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “HKEX”) and *GRI Sustainability Reporting Standards* (GRI Standards) issued by the Global Sustainability Standards Board (GSSB). This report responds to and complies with the *ESG Reporting Guide’s* reporting principles of materiality, quantitative, and consistency. It also refers to mainstream ESG rating indices such as MSCI<sup>1</sup>, and combines the issues and disclosures of the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*, the *United Nations Sustainable Development Goals* (SDGs) and the *General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1) issued by the International Sustainability Standards Board based on the current development stage of the Company and its ESG reality.

## Reporting period

This is an annual report covering the period from January 1, 2024 to December 31, 2024 (i.e. during the reporting period), with some content dating back to previous years or referring to coming years.

## Reporting scope

This report defines the organizational scope based on the principle of materiality. Unless otherwise stated, this report covers Zhejiang Leapmotor Technology Co., Ltd. and its subsidiaries, consistent with its annual report’s disclosure scope.



## Information sources

Unless otherwise specified, the information and data disclosed in this report are from the official documents, statistical reports, financial reports, or relevant public documents of our company. The Company assures that the report is free of false records or misleading statements, and is responsible for the content’s authenticity, accuracy, and completeness.

## Reference

For ease of presentation, “Zhejiang Leapmotor Technology Co., Ltd.” is referred to as “Leapmotor”, “the Company” or “we/our” in this report.

## Confirmation and approval

The report was approved on April 29, 2025 by the Board of Directors after the confirmation by the management.

## Disclaimer

This report is available in Simplified Chinese, Traditional Chinese, and English. The Chinese version shall prevail if there is any discrepancy among the versions. Some of the contents of this report, including plans and targets for future development, are forward-looking. This part of the content is based on the current expectations of the management, which may be affected by uncertain factors, resulting in significant differences in actual results. The Company is not obliged to update any forward-looking statements in this report.

## Availability and feedback to this report

This report is published on the [websites of HKEX](#) and [our company](#). And if you need a paper version or hope to share your suggestions and opinions with us, please contact us in the following ways.

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Website: <http://www.leapmotor.com>

<sup>1</sup> MSCI: Morgan Stanley Capital International



## Board Statement

Leapmotor deeply recognizes the importance of a sound corporate governance structure and risk management process for its long-term stable development. Especially, the management of environmental, social, and governance (ESG) issues is regarded as a key factor in achieving sustainable development. According to the requirements of the *ESG Reporting Code* of the HKEX, the Company has established a feasible ESG system and structure to tighten the supervision of the Board of Directors (the Board) over ESG issues, thereby promoting long-term and stable corporate development based on sound governance.

### ESG management

- The Board is Leapmotor's highest responsible body for the management and public disclosure of ESG-related issues. It is in charge of monitoring and reviewing ESG-related policies, management, performance, goals and progress, as well as significant negative events. It also needs to review the risks and materiality of ESG-related issues, ESG strategy and objectives, and public disclosure of ESG-related issues.
- The Nomination and ESG Committee sits under the Board, with the Chairman serving as the chairman of the committee. The Committee is in charge of conducting research and risk assessment on ESG-related issues, formulating and monitoring the implementation of the Company's vision, objectives, strategy and structure in relation to ESG issues, making recommendations for improvement, and reporting to members of the Board.
- The Board regularly organizes ESG-related training for our directors, ensuring the authenticity, completeness, and timeliness of ESG disclosure while improving their ability to identify and manage ESG risks, with an aim to systematically enhance the Company's ESG performance.

### ESG risk management

- Leapmotor values the significant impact that ESG risks may have on the Company. Based on industry ESG risks, regulatory requirements, and macro policies, we update the ESG issues base annually. In addition, materiality assessments of ESG topics are conducted through stakeholder research, expert evaluations, and board discussions.
- The Board actively participates in stakeholder communication, identifies ESG topics, analyzes and prioritizes the materiality of ESG topics, in order to clarify the focus of the Company's ESG risk management.

### ESG goal management

- The Nomination and ESG Committee is in charge of developing ESG objectives, and submitting them to the Board for review and approval. The Board reviews progress toward meeting ESG targets on a regular basis and makes recommendations on the next steps.



# About Leapmotor

## Company Profile

Established in 2015, Leapmotor is headquartered in Hangzhou, China, and its businesses cover the vehicle design, R&D and manufacturing, intelligent driving, electric motor control, battery system development, as well as cloud computing-based vehicle networking solutions. As a technology-based enterprise, the core components of the Leapmotor are independently developed and manufactured, including electric powertrain and intelligent systems. The proportion of self-developed and self-manufactured parts accounts for 65% of the total vehicle cost and has successively launched leading intelligent electric technologies such as the industry's first Eight-in-One Electric Drive System, the industry's first mass-produced Cell-to-Chassis technology, and the industry's first "Four-Domain-in-One Central Integrated E/E Architecture".

Following a customer-centered value proposition, Leapmotor is committed to providing products and services that go beyond expectations. By the end of the reporting period, we had mass-produced a series of core products, including the global smart long range SUV B10, ultra-comfortable and intelligent 6-seater SUV C16, the first globalized strategic model C10, best-in-class smart electric SUV C11, deluxe smart electric sedan C01, and smart BEV city cooter T03, all of which offer dual powertrain options with pure electric and extended-range versions. In 2024, our cumulative delivery reached around 300,000 units, a year-on-year increase of more than 100%, ranking Leapmotor in the 11th place in global NEV sales.

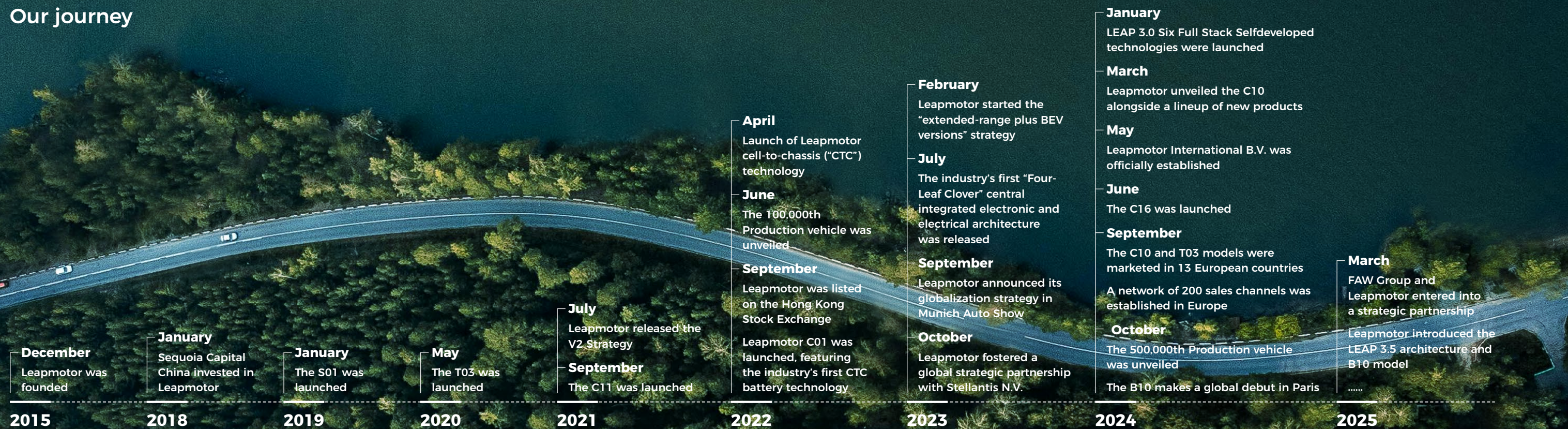
### Brand vision

Become a respected world-class intelligent EV company

### Brand mission

Dedicated to bring joy to consumer's mobility life with smart EVs

## Our journey





ESG Highlights 2024

ESG recognition	• <b>AA</b> rating by MSCI ESG Ratings
	• <b>A</b> rating by Wind ESG
	• EcoVadis <b>Bronze Medal</b>
Clean Governance with Shared Responsibilities	• Our Board of Directors has <b>9</b> directors, including <b>3</b> executive directors, <b>3</b> nonexecutive directors (including <b>2</b> foreign directors) and <b>3</b> independent non-executive directors (including <b>1</b> female director)
	• <b>No</b> corruption-related lawsuits
	• <b>100%</b> business ethics training coverage
	• <b>36</b> Employee information security training sessions, <b>12,000</b> Training hours in total, <b>100%</b> Coverage rate
	• <b>No</b> information security incidents
	• <b>No</b> user privacy leaks
	• Certified by the <b>ISO 27001 Information Security Management System</b> and <b>ISO 27701 Privacy Information Management System</b>

Innovation-led Value Creation	• R&D investment increased by <b>51%</b> year on year
	• <b>2,371</b> granted patents in total, <b>548</b> new authorized patents
	• <b>Zero</b> product recall incidents
	• The laboratory of the vehicle incoming quality inspection department received the <b>CNAS certification</b>
Green Drive for Joint Low-Carbon Actions	• <b>198,858</b> Trainees in service training sessions, <b>225,609</b> Training hours
	• <b>96%</b> Customer satisfaction rate
	• <b>15.4</b> MW of new photovoltaic installed capacity and <b>25.957</b> million kWh of photovoltaic power generated in 2024
Green Drive for Joint Low-Carbon Actions	• Reduced water consumption per vehicle by <b>35%</b>
	• <b>Grade B</b> enterprise in Zhejiang Province's key industry air pollution prevention and control evaluation
	• <b>No</b> administrative penalties related to environmental or ecological issues
	• <b>100%</b> health, safety, and environment training coverage

Diversity, Openness, and Inclusion	• <b>1,269</b> ethnic minority employees, <b>116</b> disabled employees
	• <b>461,072</b> employee training hours in total, <b>27.59</b> training hours per employee
	• <b>100%</b> health and safety training coverage
	• <b>No</b> major safety accidents
	• <b>100%</b> rectification rate of EHS hidden dangers as scheduled
Happiness Sharing with Extensive Consultation and Joint Contribution	• More than <b>80</b> festival activities and team-building activities
	• <b>100%</b> supplier certification of ISO 14001 and IATF 16949 systems
	• <b>413</b> supplier quality training sessions conducted, <b>1,348</b> hours trained in total
	• <b>86%</b> quality training coverage of tier 1 suppliers
	• <b>100%</b> signing rate of the <i>Integrity and Self-Discipline Agreement</i> by suppliers
	• <b>100%</b> selection of new suppliers based on sustainability evaluation standards
Happiness Sharing with Extensive Consultation and Joint Contribution	• Charitably donated <b>5</b> million yuan and more than <b>8,600</b> person-times were encouraged to participate in environmental protection



Honors

<p>China's Go-International Top 30 Brands</p> <p>Forbes</p>	<p>Leapmotor C10 received the five-star E-NCAP, ANCAP, and C-NCAP certification</p> <p>E-NCAP is the European New Car Assessment Program ANCAP is the Australasian New Car Assessment Program C-NCAP is the China Automotive Technology and Research Center Co., Ltd.</p>	<p>Leapmotor C10 obtained the Whole Vehicle Type Approval (WVTA) certificate</p> <p>Swedish Transport Agency</p>	<p>Leapmotor C16 was recognized as the Disciplined Innovation ward Best Car Model</p> <p>LEAP 3.0 Four-Leaf Clover Architecture was recognized as the isciplined Innovation Award Best Technology Product</p> <p>International Automotive Quality Standardization Organization</p>
<p>Paper accepted by ECCV 2024, one of the world's top three conferences in computer vision</p> <p>ECCV<sup>2</sup></p>	<p>Paper accepted by IROS 2024, a top robotics conference (Oral Presentation<sup>3</sup>)</p> <p>IROS<sup>4</sup></p>	<p>Leapmotor C10 and B10 smart cockpit system design won the 2024 Gold Award at the French Design Awards (FDA)</p> <p>International Awards Associate</p>	<p>Leapmotor C16 received the "2024 China Top 10 Chassis" Award and the "Best Intelligence Award"</p> <p>China Automotive Technology and Research Center CO.,Ltd</p>
<p>Leapmotor C10 won the 2024 IDEA (International Design Excellence Awards)</p> <p><i>BusinessWeek magazine</i> Industrial Designers Society of America</p>	<p>The intelligent cockpit system of the Leapmotor B10 won the Gold Award at the London Design Awards (LDA)</p> <p>International Awards Associate</p>	<p>Leapmotor C10 won the Gold Award of the American MUSE Design Awards</p> <p>American Alliance of Museums International Awards Associate</p>	<p>The electric drive system of the Leapmotor C16 was awarded the title of "4th World's Top 10 Electric Drive System"</p> <p>Automotive Evaluation Institute</p>
<p>Leapmotor C10 was ranked No.1 in the 2024 New Energy Vehicle User Satisfaction Index Evaluation</p> <p>Leapmotor C10 was ranked No.1 in the satisfaction of market-anticipated new cars (SUV) in 2024</p> <p>China Association for Quality</p>	<p>Leapmotor C10 and Leapmotor C11 won the five-star safety assessment certificate in the China Electric Vehicle Fire Safety Index (C-EVFI)</p> <p>China Merchants Testing Vehicle Technology Research Institute Co., Ltd.</p>	<p>Leapmotor C11 received CA-CAP five-star platinum rating for corrosion resistance</p> <p>China Association for Consumer Products Quality and Safety Promotion</p>	<p>The electric drive system of Leapmotor C16 received the "China Heart" 2024 Top 10 New Energy Vehicle Power System</p> <p><i>Evo Magazine</i></p>
<p>The Leapmotor B10 received the Green Design Award</p> <p>International CMF Design Award Committee</p>	<p>We won China Energy Conservation Association Innovation Award and Energy Conservation and Emission Reduction Sci-tech Progress Award (Carbon Neutrality Category)</p> <p>China Energy Conservation Association</p>	<p>Leapmotor C10 was awaraded the Green Design Nomination of the 2024 Fabulous Automotive Design Award</p> <p>China Automotive Technology &amp; Research Center Co., Ltd.</p>	<p>Leapmotor was recognized as a provincial-level green and low-carbon factory in Zhejiang Province</p> <p>Zhengjiang Provincial Department of Economy and Information Technology</p>
<p>Provincial industrial Internet platform in 2024</p> <p>Zhengjiang Provincial Department of Economy and Information Technology</p>	<p>Outstanding Enterprise in Human Resource Digital Transformation in 2024</p> <p>Beisen</p>	<p>Zhejiang Outstanding Employer in 2024</p> <p>Liepin</p>	<p>Hangzhou Best Employer in 2024</p> <p>Zhaopin.com</p>

<sup>2</sup> ECCV: European Conference on Computer Vision

<sup>3</sup> An oral presentation at a conference typically signifies that the paper is recognized for its academic value and novelty

<sup>4</sup> IROS: IEEE/RSJ International Conference on Intelligent Robots and Systems

# Refining ESG Management

Leapmotor views sustainable development as a core driver of long-term corporate prosperity. The Company prioritizes the establishment of a robust ESG governance framework, maintains open communication channels with stakeholders, and responds to their expectations and concerns. This has built momentum for steady development in the long run.

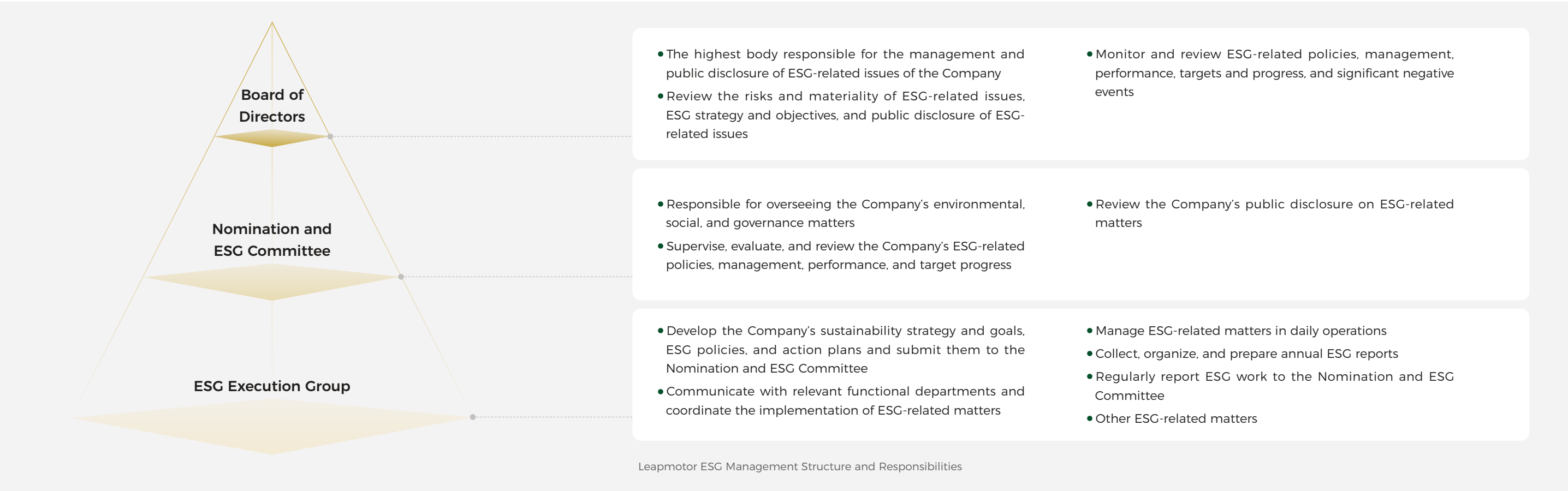
## ESG Governance

Leapmotor designs the scheme for ESG development based on the principles of “green design, green manufacturing, and green operations, fostering a new landscape in technological collaboration, and establishing an ESG community”. By mastering core technologies and driving continuous innovation, we advance sustainable development.

Leapmotor has established a three-tier ESG governance framework consisting of the Board of Directors, the Nomination and ESG Committee, and the ESG Task Force. With clear roles and responsibilities as well as coordinated structure, it

works to enhance the Company’s sustainability performance and regulate our sustainability governance.

In 2024, the Company contributed its ESG governance wisdom by participating in the compilation of the *Risks and Opportunities Revealed by ESG Due Diligence Industry White Paper*, and two group standards, the *Guidelines for Sustainability (ESG) Information Disclosure in New Energy Vehicle Enterprises* and *Guidelines on ESG Evaluation for New Energy Vehicle Enterprises*, providing a replicable “Leapmotor paradigm” for the industry.

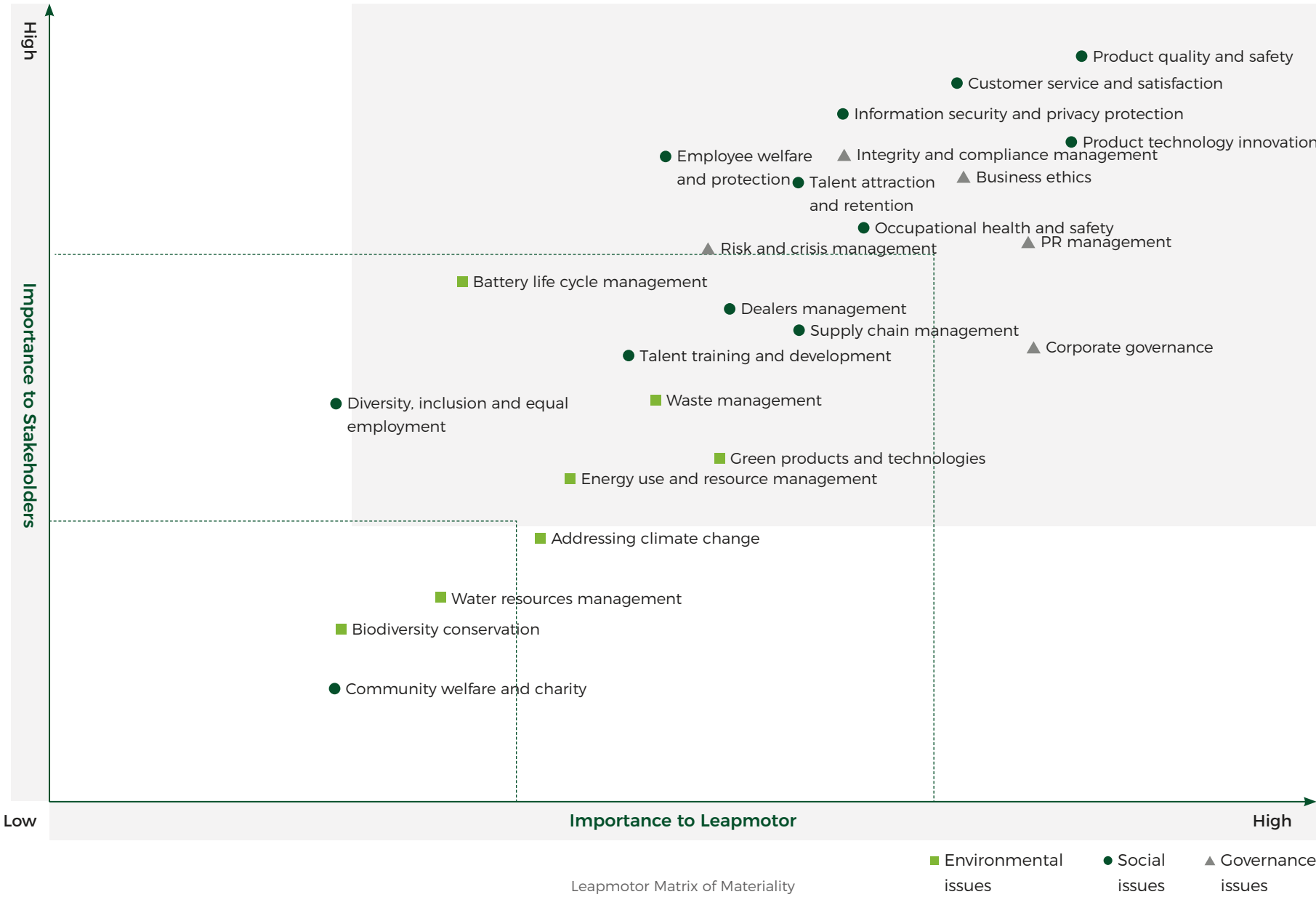




Materiality Analysis

Leapmotor collects and understands stakeholders’ opinions and needs through a three-step approach featuring “benchmarking and identification - questionnaire survey- result analysis”. Once identified, major ESG topics will be disclosed in the Company’s ESG reports. Besides, we continue to improve our sustainability management on the basis of the identified topics.

Our materiality analysis mainly includes the following steps:



Stakeholder Communication

Leapmotor values stakeholder engagement, and proactively discloses various information about the Company's production, operation, and sustainable development. At the same time, we continuously innovate in and diversify our interaction methods, listen to and adopt the expectations and demands of stakeholders, and respond with practical actions. Together with all parties, we work to create a better future.

Stakeholders	Government and Regulatory agencies	Shareholders and Investors	Users	Employees	Partners	Environment	Industry associations	Media	Communities
Issues Concerned	<ul style="list-style-type: none"><li>• Compliance operation</li><li>• Paying taxes according to the law</li><li>• Business ethics</li><li>• Safety and environmental protection</li><li>• Employee rights and benefits</li><li>• Product quality and safety</li></ul>	<ul style="list-style-type: none"><li>• Business performance</li><li>• Information transparency</li><li>• Business ethics</li><li>• Corporate governance</li><li>• Risk management</li></ul>	<ul style="list-style-type: none"><li>• Product quality and safety</li><li>• Customer service and satisfaction</li><li>• Information security and privacy protection</li></ul>	<ul style="list-style-type: none"><li>• Legitimate rights and interests</li><li>• Compensation and benefits</li><li>• Occupational health and safety</li><li>• Training and development</li><li>• Diversity and equal opportunities</li></ul>	<ul style="list-style-type: none"><li>• Business Integrity</li><li>• Mutual benefits</li><li>• Supply chain management</li><li>• Dealer management</li></ul>	<ul style="list-style-type: none"><li>• Energy use and management</li><li>• Water resource management</li><li>• Emission management</li><li>• Green products</li></ul>	<ul style="list-style-type: none"><li>• Intellectual property management</li><li>• Product quality and innovation</li><li>• Mutual benefits</li></ul>	<ul style="list-style-type: none"><li>• Compliance operation</li><li>• Information transparency</li><li>• Responsible marketing</li><li>• Information security and privacy protection</li><li>• Charity</li></ul>	<ul style="list-style-type: none"><li>• Community investment</li><li>• Charity</li></ul>
Communication Forms	<ul style="list-style-type: none"><li>• Information disclosure</li><li>• Supervision and inspection</li><li>• Information reporting</li><li>• Government-enterprise conference</li></ul>	<ul style="list-style-type: none"><li>• General Meeting of Shareholders</li><li>• Periodic reports and announcements</li><li>• Roadshows and counter-roadshows</li><li>• Earnings release</li><li>• Instant communication</li></ul>	<ul style="list-style-type: none"><li>• Interaction with new media</li><li>• New product launch</li><li>• “Chief Criticism Officer” seminar</li><li>• User satisfaction survey</li><li>• Market research</li><li>• User’s complaints and treatment</li><li>• Leapmotor club community</li></ul>	<ul style="list-style-type: none"><li>• Staff congress</li><li>• Staff seminar</li><li>• Staff satisfaction survey</li><li>• Regular research and feedback</li><li>• Online and offline training and publicity activities</li><li>• Employee care activities</li></ul>	<ul style="list-style-type: none"><li>• Supplier audit and evaluation</li><li>• Supplier contracts and agreements</li><li>• Supplier training</li><li>• Supplier assessment</li><li>• Dealer training</li></ul>	<ul style="list-style-type: none"><li>• New energy vehicle technology R&amp;D</li><li>• Promotion of environmental protection philosophy</li><li>• Environmental data disclosure</li></ul>	<ul style="list-style-type: none"><li>• Industry technology exchange</li><li>• Project cooperation</li></ul>	<ul style="list-style-type: none"><li>• Press conference</li><li>• Media conference and interview</li><li>• Media experience activities</li></ul>	<ul style="list-style-type: none"><li>• Engaging in the community activitie</li><li>• Social charity activities</li></ul>



# Clean Governance with Shared Responsibilities

Leapmotor embraces the business philosophy of “business with integrity, responsibility as a priority”. Guided by scientific decision-making, grounded in standardized management, and secured by integrity-driven practices, we are dedicated to laying the foundation for sustainable development through compliance practices, safeguarding the mutual benefits of shareholders and society.

## Contribution to SDGs

5

GENDER  
EQUALITY

8

DECENT WORK AND  
ECONOMIC GROWTH

10

REDUCED  
INEQUALITIES

16

PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



# 1.1 Standardizing Corporate Governance

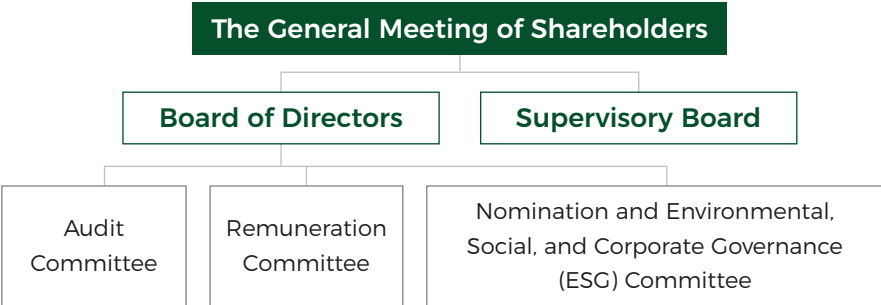
Upholding the tenet of “responsibility as a priority”, we optimize our internal governance structure, establish a sound risk management system, and provide robust protection for data and privacy. In addition, we demonstrate business ethics through compliance-driven operations, and resolutely safeguard the rights and interests of shareholders. Through these efforts, we strive to build a responsible, transparent and efficient governance framework.



## 1.1.1 Governance structure

In strict compliance with Chinese laws, such as the *Company Law*, the *Main Board Listing Rules* and *Corporate Governance Code* of The Stock Exchange of Hong Kong Limited and other regulations, Leapmotor works to build a highly efficient and well-supervised governance structure. The General Meeting of Shareholders is the highest governance authority within the Company and exercises its power entitled to relevant laws and the *Articles of Association*. The Board of Directors, elected by the General Meeting of Shareholders, is the Company’s decision-making body. It holds accountable to the General Meeting of Shareholders and implements its resolutions. The Supervisory Board is the supervisory body of the Company, consisting of representative shareholder supervisors elected by the General Meeting of Shareholders and employee representative supervisors elected by the Workers Congress. It supervises and inspects the Company’s business activities, financial status, directors’ and senior management’s performance of duties, and reports to the General Meeting of Shareholders.

Under the Board of Directors sit the Audit Committee, the Remuneration Committee, and the Nomination and ESG Committee. Their scope of responsibilities, independence, roles and functions, rules of procedures, reporting procedures and frequency, the General Meeting of Shareholders, and other key matters are explicitly specified in the *Working Rules of the Audit Committee Under the Board*, the *Working Rules of the Remuneration Committee Under the Board*, and the *Working Rules of the Nomination and ESG Committee Under the Board*. This framework protects the interests of shareholders and secures the stable business operation. To further protect the rights and interests of small and medium investors, the Company has also set up independent non-executive directors.



Leapmotor Governance Structure

Board diversity helps boost corporate inclusion and facilitate the execution of sustainability strategies. It is stipulated in our *Working Rules of the Nomination and ESG Committee* that the Company shall review the structure, member numbers, composition, and diversity of the Board of Directors at least once a year, including but not limited to gender, age, cultural and educational backgrounds, professional experience, skills, knowledge, and service term, etc. Besides, it is stipulated in our *Procedure for Shareholders to Nominate Candidate Directors* that the term of directors shall coincide with that of the Board of Directors in office, with the Board being renewed every three years. As of the end of the reporting period, the Board consists of nine members, including three executive directors, three non-executive directors (including two foreign directors) and three independent non-executive directors (including one female director). The Board members are experienced in such fields as automobile, science and technology, communications, finance, auditing, and risk management. Among them, Shen Linhua, Chairman of Leapmotor’s Audit Committee, who obtained the qualification of Senior Accountant from the Zhejiang Province Human Resources and Social Security Department in 2000, has more than 20 years of experience in financial management and auditing. As a senior expert, he is proficient in auditing and risk control of listed companies. Since 2022, he has served as an independent director of the listed company Audit Committee of Insigma Technology Co., Ltd., and has been the Chairman of the Audit Committee of the 10th Board of Directors. His professional practical capabilities in corporate governance and auditing supervision of listed companies has enriched our experience in corporate governance of listed companies, ensuring the compliance and stability of the Company’s operations.

The Supervisory Board is responsible for supervising and inspecting the Company’s business activities. There are three supervisors, including two shareholder representatives and one employee representative elected from the Company’s Workers Congress. In 2024, 10 board meetings, 2 supervisory board meetings and 2 general meetings of shareholders were held.



### 1.1.2 Risk Management

Pursuant to such regulations as the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (the Listing Rules) and the *Articles of Association*, we continuously improve our risk management system based on our realities. We radically implement the *Risk Management System*, the *Internal Audit system* and the *Internal Audit File Management Standards*, which clarifies the specific risk management responsibilities of the Board, the management, and each department. Under this system, risks are managed through closed-loop processes, including information collection, risk assessment, strategy formulation, risk response, and follow-up supervision and improvement. Over the past three years, the Company has conducted internal audits on business ethics and other areas, covering core business segments like the supply chain, R&D, manufacturing, marketing and service. To enhance rectification, we further optimize management and ensure that the Company's business activities comply with ethical norms and legal requirements in terms of systems and processes, promoting the Company's high-quality and healthy development based on compliance management.

Meanwhile, based on our three-firewall risk management structure, the risk management system is continuously improved and embedded in every aspect of our business to achieve more rational, standard and effective risk management.

Firewall I

Involves various business and functional departments and they are responsible for implementing basic risk control processes and measures, and timely identifying and controlling relevant risks.

Firewall II

Involves such risk management bodies as the financial, legal, quality, and process management departments. They are responsible for designing, implementing and supervising risk control systems based on risk perception and acceptance levels to ensure an effective risk management structure is in place within the Company.

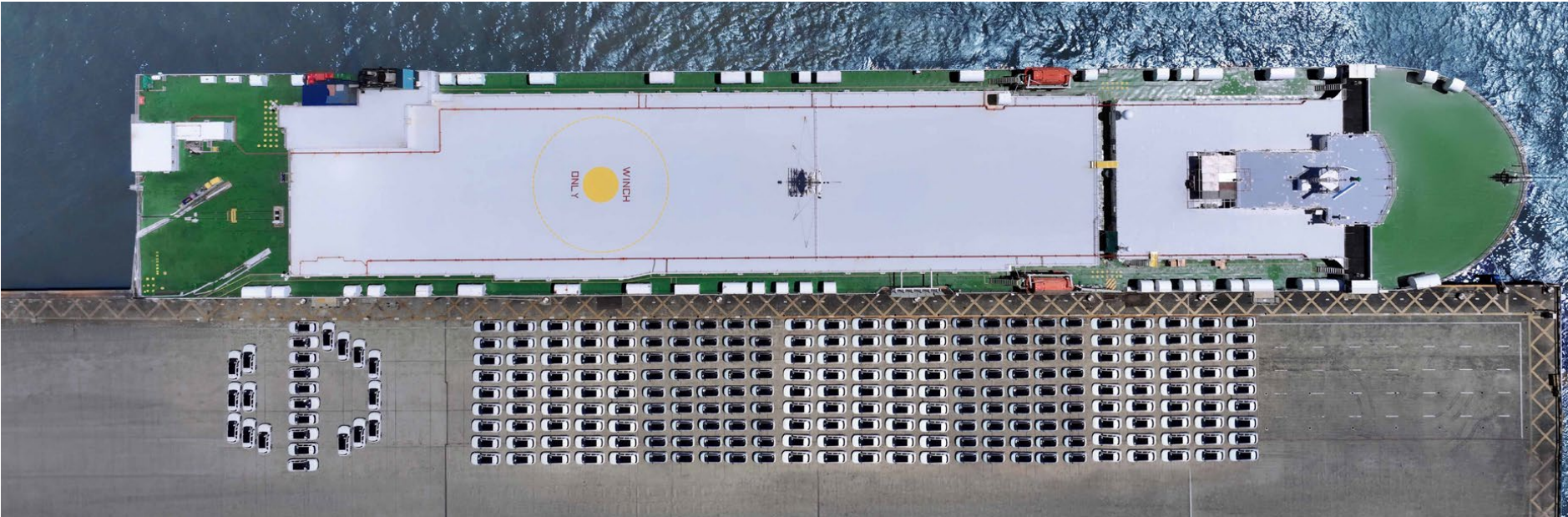
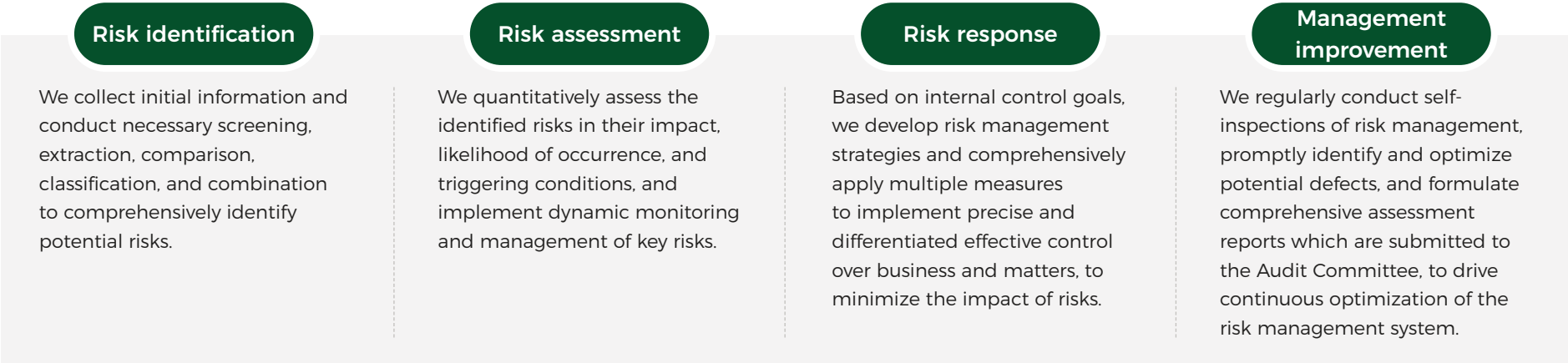
Firewall III

Involves the Internal Audit and Supervision Department. It is responsible for building a closed-loop risk management system through audit and case investigation, as well as conducting analysis and independent assessment of whether the Company's risk control efforts are enough and effective.

Leapmotor Risk Management Framework

Based on the information from business segments and projects as well as external information, risks are identified and relevant risk points are systematically summarized. Meanwhile, the risks are graded according to their likelihood and potential impact. For risks of different levels, we have formulated appropriate response strategies and mechanisms for communicating with and reporting to the management to ensure that the risks are properly handled.

#### Leapmotor Risk Management Procedure





# 1.2 Consolidating Compliance Foundation

At Leapmotor, compliance governance is placed at the core. By continuously strengthening compliance management, improving systems and standardizing operations, we strive to strictly regulate the business behaviors of our employees, managers, and partners. Committed to fostering a corporate culture that pursues high standards and upholds business ethics and compliance, we work to lay a robust foundation for our sustainable development.

## 1.2.1 Compliant Operations

Leapmotor always strictly complies with applicable Chinese laws and regulations, such as the *Anti-Unfair Competition Law* and the *Anti-Monopoly Law*, as well as the regulatory requirements of global markets. Accordingly, we have formulated the *Competition Compliance Management Regulation*. Besides explicit provisions with regard to anti-unfair competition, anti-monopoly, and risk response and handling within the Company, the regulation clarifies the responsibilities of business departments in the identification, assessment and response of compliance risks across various business processes such as R&D, supply chain, production, and sales. In the meantime, we actively promote compliance in areas such as export control, anti-unfair competition, anti-monopoly, intellectual property rights protection, privacy protection, and data

compliance. By assessing and optimizing compliance processes, we build a solid high wall against compliance risks. Moreover, we continue the compliance publicity and training sessions to make compliance philosophy deeply embedded in our culture and our people’s minds.

Non-compliant behaviors of employees have been explicitly stipulated in the *Employee Handbook*, including conflicts of interest. Any employee who identifies a conflict of interest with the Company shall proactively report the case to the compliance management department in a timely manner. After receiving the report, the Company will conduct a comprehensive assessment of the case in accordance with relevant systems and take targeted countermeasures.



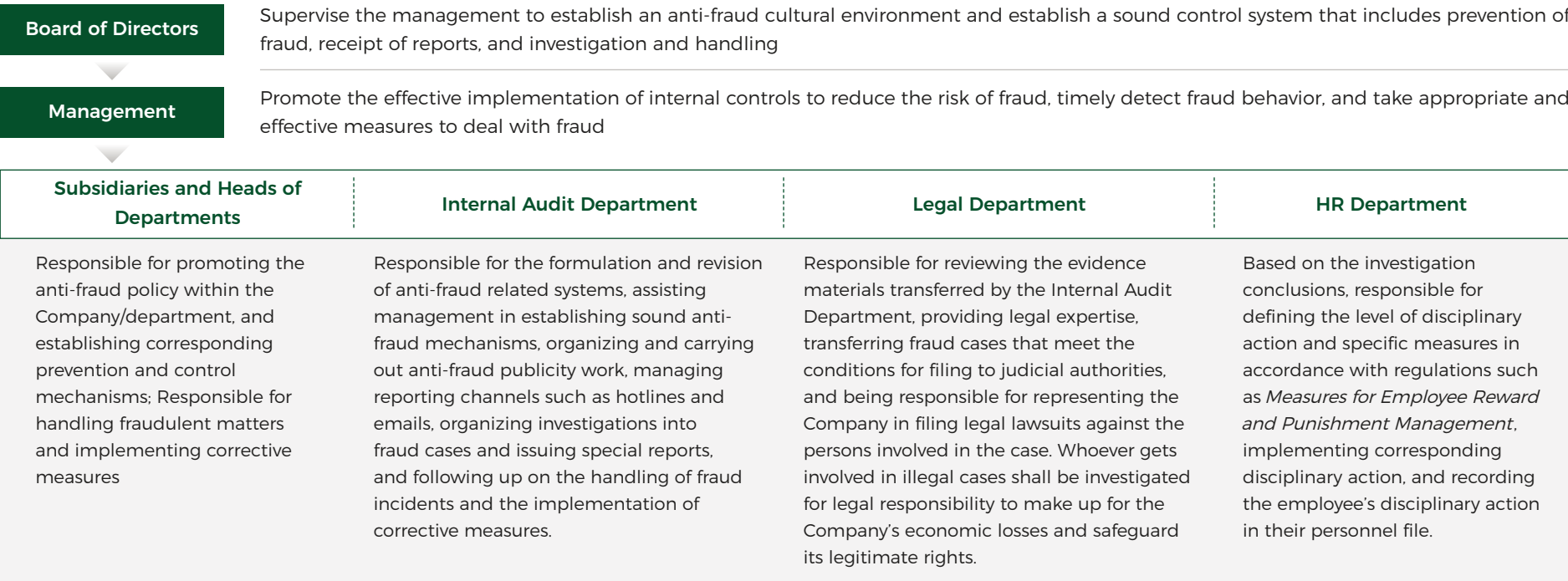
## 1.2.2 Business Ethics

In accordance with relevant laws and regulations such as the *Anti-Money Laundering Law of the People's Republic of China*, the *Rules of Anti-Money Laundering by Financial Institutions of the People's Bank of China* and the *Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (For Payment and Clearing Organizations)*, we have formulated the *Internal Control Regulations for Anti-Money Laundering and Counter-Financing of Terrorism*, aiming to prevent money laundering activities related to the source and nature of proceeds and benefits from various crimes.

Leapmotor gives priority to business ethics. By means of system development, training and publicity, and specialized audits, the Company endeavors to foster a culture of integrity. To this end, Leapmotor strictly implements the *Anti-Fraud and Whistleblowing Management System*, and sets an annual anti-corruption goal of “improving overall efficiency through supervision and anti-fraud”. It is committed to building a more transparent and efficient internal control system and ensuring the integrity and compliance of corporate operations. The Company has detailed provisions for the prevention and control of fraud forms and matters, whistleblowing and rewards, and investigation and handling, ensuring that the construction of an integrity and honesty system is put into practice.

We prohibit bribery and corruption, and strictly implement the *Gift Handover Management Measure*, the *Gift Issuance Management Measure* and the *Gift Disposal Measure*, forming a closed-loop management system covering the handover, issuance, and disposal of gifts. By establishing the principle of “to reject, return and handover gifts,” we clarify the approval process to further regulate the integrity professional behavior of all employees, enhance standardized gift management, and ensure our operations align with business ethics. Leapmotor was honored as a “Statistical Integrity Enterprise in Hangzhou High-tech Zone (Binjiang)” for two consecutive years.

Meanwhile,the Company explicitly publicizes whistleblowing channels in its tender announcement and requires all partners to sign the *Integrity and Self-Discipline Agreement*. Integrity reminder letters are sent to relevant parties before major festivals to strengthen risk warning. QR codes for reporting channels are also put up at its manufacturing bases, enabling whistleblowing by simply scanning the code. This forms a linkage between agreement constraints, node control, and technical supervision. In 2024, the signing rate of the Integrity and Self-Discipline Agreement with our suppliers reached 100%.



Leapmotor Anti-Fraud Organizational Structure and Responsibilities

### Leapmotor Main anti-corruption measures |

- Regulatory requirements

The anti-corruption policies involve all parties such as employees, suppliers, and distributors, clearly defining specific anti-corruption requirements.
- Risk management

Closing management loopholes in areas such as warehousing logistics, channel development, administrative support, and expense reimbursement
- Monitoring and reporting

Investigating and collecting evidences on fraud reports, and coordinating business departments and human resources to handle such reports
- Publicity and education

Carrying out integrity publicity and warning education to create a clean and dedicated working environment






Monitoring and reporting


Leapmotor has formulated the *Anti-Fraud and Whistleblowing Management System* for our employees and all stakeholders, which stipulates that anti-fraud staff must strictly perform their duties, ensure the confidentiality of the reporter’s identity and materials, and never disclose confidential information without consent. Meanwhile, we provide publicly accessible and diversified channels for complaint and reporting such as telephone, e-mail, letter and in-person conversation. These have been made public on our official website and tender announcements. We encourage real-name reporting and bear no tolerance for malicious reporting or false accusations. We strictly implement the reporting and complaint handling process and whistleblower protection mechanism. For instance, we adopt rigorous confidentiality measures to protect whistleblowers’ information and reporting materials. Individuals who violate confidentiality or engage in retaliatory actions will face disciplinary measures, such as warning, demotion, dismissal, or termination based on the severity of their conduct. Those who breach legal boundaries will be referred to judicial authorities for further action.


For suppliers, we have fully launched the development of risk maps in marketing and supply chain modules. Through in-depth analysis of the core processes of related businesses, key risk points are identified and documented to help raise managers’ awareness of risk management. Project outputs include core business flow charts and business risk description forms of each

module. In addition, based on risk maps, we look to establish a risk-oriented and cross-business-module audit and investigation mechanism to ensure that risks in all processes are effectively monitored and managed. During the reporting period, Leapmotor received 24 reports of fraud, of which nine involved fraudulent activities. As a result, one supplier was blacklisted and eight employees were disciplined, including 1 criminal prosecution. In 2024, all of compliance reporting cases were closed, and none had a significant adverse impact on our operations. No corruption-related lawsuits were brought against the Company, and 100% of the operating sites conducted internal audits or risk assessments on business ethics issues.

Leapmotor Reporting channels for business ethics problems

**Reporting email**  
wbjb@leapmotor.com

**Reporting Tel.**  
+86-18100188687

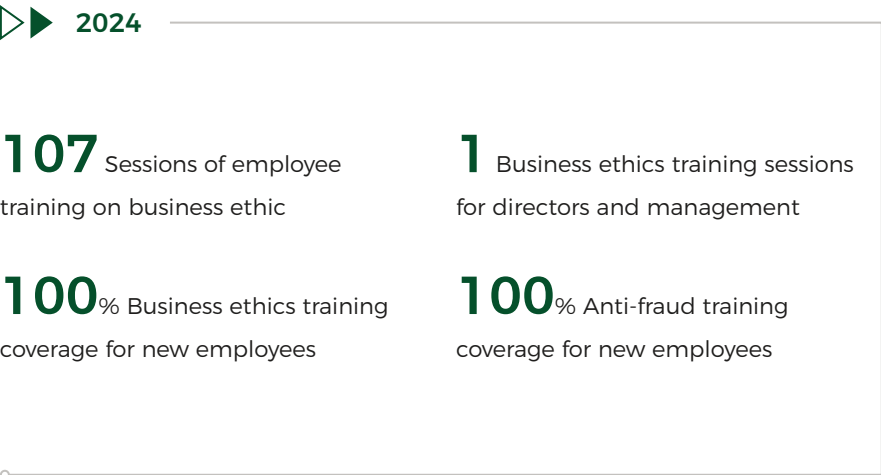
**Feedback process and method**

During the investigation, we will keep in touch with the whistleblower via email or telephone. The investigation result will be immediately fed back to the whistleblower



Business ethics training

We conduct ongoing business ethics training for all employees, including the Board of Directors and senior managers, to continuously raise anti-fraud awareness across the board. The training covers anti-corruption, value promotion, Employee Handbook and code of conduct, etc. In 2024, we organized seven warning training sessions on high-risk business modules , which helped foster a corporate culture of integrity.



Leapmotor Anti-fraud Training

### 1.3 Protecting Shareholders’ Rights

Based on the *Listing Rules*, the *Articles of Association*, and other documents, we have developed the *Information Disclosure Management System*, the *Related Party Transactions Decision-Making System*, and the *Financing and External Guarantee Management System*. These policies clarify the reporting, approval, and disclosure procedures for important information and define the responsibilities and obligations of management personnel in information disclosure, so as to protect the interests of small and medium investors.

The Board Secretary serves as the direct person in charge of investor relations management. The Board Office, led by the Board Secretary, is the Company’s standing organization responsible for investor relations management. As the department for information collection and external disclosure, it is responsible for the specific tasks regarding investor relations management.

We value investor relations management, keep close communication with shareholders through diversified channels, and particularly safeguard the legitimate rights and interests of small and medium shareholders. We have established a regular communication mechanism covering shareholders’ meetings, open investor days and regular earnings briefings. In terms of governance structure, the board of directors is composed of 3 executive directors, 2 directors nominated by Stellantis N.V. (hereinafter referred to as “Stellantis”), 1 director nominated by a state-owned shareholder, and 3 independent directors, forming a scientific and balanced decision-making mechanism. To improve our investor services, the Company continuously optimizes the shareholders’ meeting process and specifically sets up an investor relations website to timely disclose important information such as company announcements, financial reports, and regulatory documents. We have also created a dedicated investor email to ensure timely response to shareholders’ concerns.





## 1.4 Ensuring Information Security and Privacy protection

Leapmotor always regards information security and privacy protection as the core elements for enhancing user experience, and systematically strengthens the data security defenses by building a compliant, standardized, and refined management system. On one hand, we continuously improve the internal system and management architecture to achieve a thorough coupling between security strategies and business development. On the other hand, we dynamically optimize the full-chain operation mechanism of prevention, monitoring, and response, driving procedure improvement with technological innovation. In line with the principle of “shared responsibility and collaborative risk governance”, we are committed to building a reliable digital environment for employee performance, customer service, and supply chain collaboration. Through the integrated application of hierarchical control, permission governance, and privacy-enhancing technologies, we comprehensively safeguard the information assets and data rights of multiple stakeholders, making security a bond of trust and injecting resilient strength into the Company’s high-quality development.



### 1.4.1 Information Security

Committed to the principle of “implementing control responsibilities, mitigating security risks, ensuring business operations, and protecting user privacy”, we have set the management goals of “ensuring the confidentiality, integrity, and availability of company information”. Besides, an information security management structure is established to ensure effective operations.

#### Information security management structure

We have established a robust information security management structure covering senior management and technical management levels. On one hand, the Information Security Committee has been established, which is composed of senior leaders and heads of level-one departments, to coordinate and oversee information security-related initiatives. The Committee is primarily responsible for reviewing information security policies and strategies and guiding the information security efforts of the working group and relevant departments to ensure the full implementation of information security tasks. On the other hand, a dedicated information security department has been set up to focus on the overall arrangement in this aspect. The department is responsible for the implementation of information security policies and measures to ensure the security and integrity of the Company’s information assets. In 2024, we have released the *Notice on Adjustments of Members and Responsibilities of the Information Security Committee*, which clarifies roles and responsibilities of the “cybersecurity”, “data security”, and “emergency response” task forces. This structure optimizes the communication processes and mechanisms of the Information Security Committee, ensuring efficient execution of information security tasks.



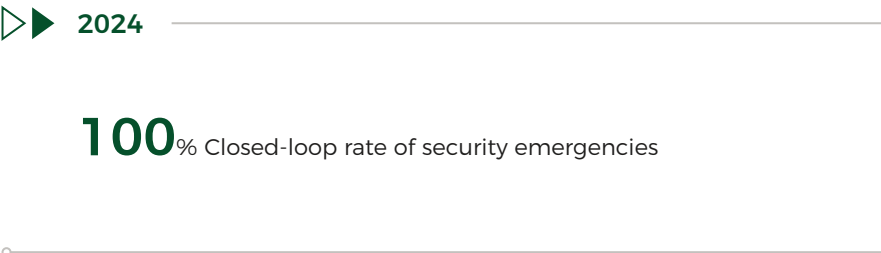
Leapmotor Information Security Committee Framework



Information security management policies and systems

We strictly abide by Chinese laws and regulations, such as the *Cybersecurity Law*, *Data Security Law* and the *Personal Information Protection Law*. We have also established policies such as the *Emergency Management Procedures of Cybersecurity Incidents*, *Management Standards of Data Security Audit*, and *Information Security Vulnerability Resolutions*. In addition, we have reviewed our information security management system, including the existing policies, organizational structure, and security handling mechanisms. Moreover, a risk reporting mechanism has been established, which enables prompt communication to senior management and immediate response in case of audit risks, and ensures our rapid reaction in the face of information security challenges. In 2024, we conducted a total of 116 pre-launch penetration tests for core business systems, participated in 2 national and provincial-level cybersecurity attack and defense drills, and jointly organized 7 red-blue

confrontation exercises with third-party authoritative information security institutions. Through these practical drills and exercises, the security defense system was tested, and no information security incidents occurred throughout the year.



Case

Leapmotor has passed the DCMM<sup>5</sup> certification

DCMM is China's first national standard in the field of data management. It is not only an authoritative certification of data management capabilities, but also a key tool for enterprises to unlock data value and achieve high-quality development.

Leapmotor, through the implementation of relevant standards, divides its internal data capabilities into eight key components: data strategy, data governance, data architecture, data standards, data quality, data security, data applications, and data lifecycle. Utilizing advanced data management concepts and methods, we establish and evaluate our own data management capabilities, and build a sustainable data management system. With a shift from cost-oriented to value-oriented, we also continuously improve our data management organization, procedures, and systems, fully leveraging the value of data in advancing our information-based, digital, and intelligent development. Leapmotor's data management capability maturity has been rated as Robust Level (Level 3).

<sup>5</sup> DCMM: Data Management Capability Maturity Assessment Model

| Leapmotor Information Security Highlights |

Security in development and building processes

Integrating Static Application Security Testing (SAST) tools into the CI/CD pipeline to ensure that code complies with security standards during the development phase; establishing and completing the open source compliance repository for the first phase

Data security management

Deploying an automated data classification and grading platform for the automated classification and grading of our data to improve data security and compliance

Application security assessment and pre-launch assurance

Conducting comprehensive security assessments of applications with security baselines developed and issued; performing penetration testing before application launch to identify and fix potential vulnerabilities

Terminal work data management

Implementing full traceability and grading and classification, and piloting document management policies in Core management departments to effectively manage terminal data

Supplier information security management

We have formulated the *Supplier Security Management Standard*. It is required that suppliers, before being admitted, undergo information security assessments (including the review of qualifications and relevant information security system certifications) and sign confidentiality agreements or data processing agreements. On-site employees are also required to sign letters of commitment to confidentiality. Furthermore, suppliers' workers in core on-site positions are provided with confidentiality and information security awareness training. In 2024, 100% signing rate of confidentiality agreements and data processing cooperation terms with suppliers and partners (including data commitment letters, data protection clauses, and data processing agreements) Besides, the Company was awarded with the 2023-2024 Outstanding Governance Practice Achievement for "Chain Forging" Case - Software Supply Chain Security Development in the Automotive Industry.



Leapmotor Reporting channels for information security issues



Reporting email

lpsecurity@leapmotor.com



Email for feedback

src@leapmotor.com



Email for compliance

oss@leapmotor.com



Feedback and reporting hotline

400-008-1234



Information security training

We continuously improve our information security training system. To comprehensively improve information security awareness and management capabilities, we not only offer five types of information security training courses for different employee groups, such as the newcomer information security awareness training, but also provide information security training for suppliers. Leapmotor continuously improves its information security training system. We offer five types of courses for different employee groups, such as information security awareness training for new hires and product information security development training. In addition, specialized and targeted information security training is provided for suppliers to comprehensively enhance the information security awareness and management capabilities of our employees and partners.

| Leapmotor Information Security Training System |

Newcomer information security awareness training

We have incorporated information security awareness training into the mandatory courses for employees to help them better interpret common scenarios, learn about basic concepts and information security risks in work, and form sensitive awareness and correct cognition, good habits

Product information security development training

We provide security development technology training in relation to architecture design and software coding for product designers, and architecture developers, and interpret commonly seen security loopholes

Employee information security awareness training series

Highlighting employee information security awareness, we provide such training as on password security, social engineering, sensitive information protection, commercial secret protection and ransomware prevention, etc.

Factory production line control and security management training

We are interpreting production line control equipment cases to throw light on the procedures for safe operation and maintenance, emergency response, and common security defense technologies for common industrial control equipment

Cybersecurity emergency response training

To prevent network information security emergencies on all fronts, the Company has carried out training on the preparation of emergency plans, the development of emergency drills and emergency response procedures to provide clear guidance on emergency operations including response and treatment processes for core businesses and corresponding summary and review measures

| Leapmotor Fostering Information Security Culture |

Information security courses

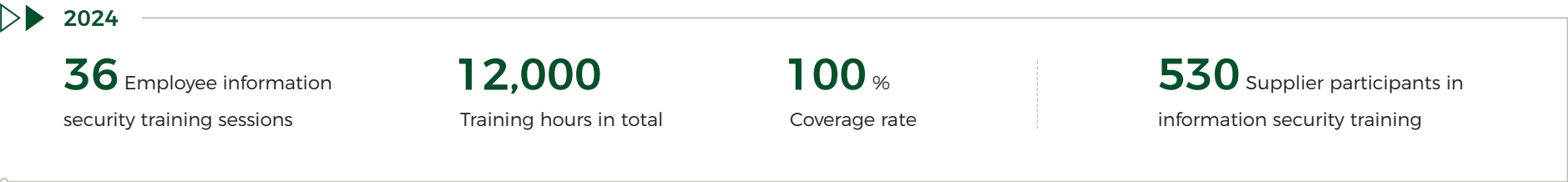
Delivering over 30 training courses for all employees on fields such as phishing email prevention, data security, and software development

Information security publicity

Publishing approximately 27 information security posters on the official WeChat account, which garners over 30,000 views; adding security policies, security notifications, and relevant security operation cases to the IT self-service module of the OA system

Information security exams

Conducting specialized training and exams on phishing emails, with over 1,500 participants




We have publicized cybersecurity awareness among employees. During the 2024 Cybersecurity Publicity Week, we organized promotional activities such as policy display, quizzes, and lantern riddles around hot issues including personal information protection, phishing email prevention and wireless network security, attracting the active participation of more than 4,900 employees. This has effectively enhanced information security awareness and risk prevention capabilities of our employees, laying the foundation for the company's information security development.

### 1.4.2 Privacy Protection

In strict accordance with such laws as the *Data Security Law* and the *Personal Information Protection Law*, we have formulated a set of policies such as the *Management and Control Procedures for Personal Information Protection*, the *Personal Information Protection Impact Assessment Measures*, the *Management Standards for Personal Information Retention*, the *Management Standards for Safeguarding the Rights of Personal Information Subjects*, the *Guidelines on the Notification and Consent from Personal Information Subjects* and the *Personal Information Collection and Processing Management Standards*. These policies specify the handling methods and procedures of different levels of security incidents, and provide guidance and standards for the collection, processing, retention, use, and disclosure of personal information. Meanwhile, we continuously improve the software development lifecycle (SDL), set up the privacy impact assessment (PIA) process, and embed privacy protection design requirements into the development phase, to provide all-round protection for user privacy and data security. As of the end of 2024, we have obtained the certifications for the ISO 27001 Information Security Management Systems, the ISO 27701 Privacy Information Management System, the IT General Controls Audit (ITGC) and the national testing and evaluation for classified protection of information security.


For confidential information, we sign confidentiality agreements with stakeholders. In addition, data security standards and data protection requirements have been put in place throughout the entire lifecycle of data, including informed consent and data collection. To ensure effective execution of requirements, external audits and other approaches are adopted. To prevent the leakage, abuse, or loss of personal information, we will not disclose such information in any form to any third party, unless otherwise stipulated by

law or regulation or with the consent of users. During the reporting period, Leapmotor saw zero user privacy leakage incidents. In 2024, Leapmotor achieved zero reports in various random inspections on App privacy protection conducted by authorities such as national and local Cyberspace Administration, Telecommunications Administration, and cybersecurity authorities.



浙江零跑科技股份有限公司  
**反诈工作站**  
滨江区打击治理电信网络新型  
违法犯罪工作联席会议办公室

Leapmotor is granted the title of “Anti-Fraud Workstation”



浙江零跑科技股份有限公司  
“之江铸网-2024”攻防演练  
**优秀防守单位**  
浙江省通信管理局  
二〇二四年九月

Leapmotor is honored as an “Excellent Defensive Unit” in the “Zhijiang Zhuwang 2024” cybersecurity attack and defense drill.





# Innovation-led Value Creation

Leapmotor takes innovation as the core driving force for the Company's sustainable development. While adhering to independent R&D, Leapmotor also collaborates with partners to explore technological boundaries. Our relentless pursuit of quality and safety ensures the delivery of exceptional vehicles. Our seamless and worry-free service earns users' trust. We aspire to becoming a respected world-class intelligent EV company.

## Contribution to SDGs





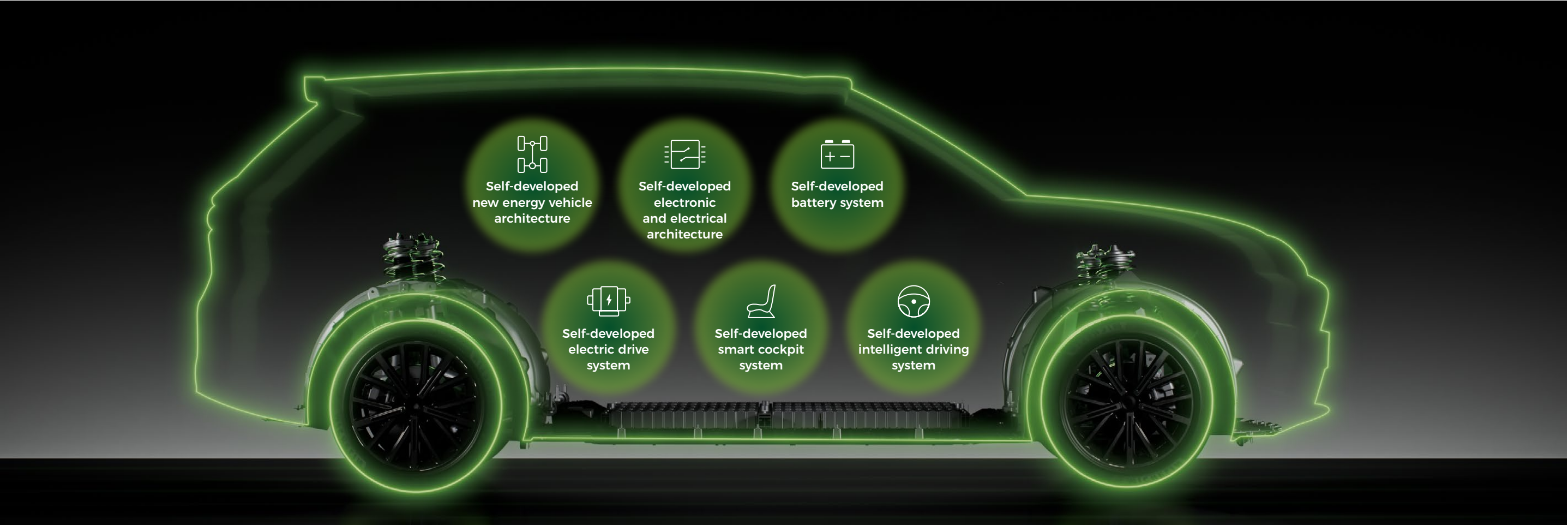
## 2.1 Exploring Technological Boundaries

Leapmotor pursues innovation-driven development and fully implements its strategic R&D layout. By fostering a vibrant innovation culture, we encourage employees to think out of the box and engage in cross-sector collaboration with an open mind. We take collaborative efforts to ensure IPR protection, while striving for breakthroughs in the intelligent EV domain, seeking to extend the benefit of our innovations to the broader community.

### 2.1.1 R&D Layout

Leapmotor has developed an innovative R&D system which is centered on “full-suite R&D” and covers six core technology areas: new energy vehicle architecture, electronic and electrical architecture, smart cockpit, intelligent driving, battery and electric drive systems. Our modular design, intelligent empowerment and global layout make efficient technological collaboration and rapid iteration a reality. We not only master core competitiveness, but also build a value system that comprehensively benefits users. Deeply integrating

environmental protection and the concept of sustainable development into the entire R&D process, we meet ESG standards while providing users with high-performance, high-reliability, and highly intelligent smart electric vehicles. After nearly a decade of technological precipitation and accumulation, Leapmotor’s full-suite R&D LEAP 3.5 has entered the era of globalization. In 2024, Leapmotor’s R&D investment increased by 51% year on year.





Self-developed new energy vehicle architecture

Leapmotor is committed to creating a globalized and highly generalized vehicle architecture. We innovatively adopt a “pure electric + extended-range” dual power platform with a full coverage of vehicle categories from A0 to C-segment, including sedans, SUVs, MPVs, and pickups. Each product is characterized by three inherent core attributes of “intelligence, comfort, and safety,” delivering a comprehensive superior experience to users. Through the industry-leading LEAP 3.5 Full-Suite R&D technology platform, we have established a modular architecture system with a generalization rate as high as 90%. Moreover, from a global perspective, in accordance with stringent top international safety standards, the Company integrates the essence of Eastern and Western aesthetics into building a distinctive tech-oriented design, and collaborates with top international teams for chassis tuning, ensuring that products can accurately match road conditions and driving habits of different regions across the world.

The Company’s self-developed 27-in-1 intelligent thermal management system is an outstanding innovation. With an innovative layout of differentiated hot and cold zones, the system further reduces heating energy consumption by 10%, effectively improving the vehicle’s range. Equipped with ultra-wide temperature range coverage from -35°C to 55°C and optimization for over 25 full-scenario applications, the system ensures stable vehicle operation and comfort despite users’ locations. Through continuous technological innovation and product

iteration, Leapmotor redefines the technological standards of the global new energy vehicle market with smarter vehicle technology, more comprehensive safety protection, and more comfortable driving experience, contributing to higher-level development of the industry.

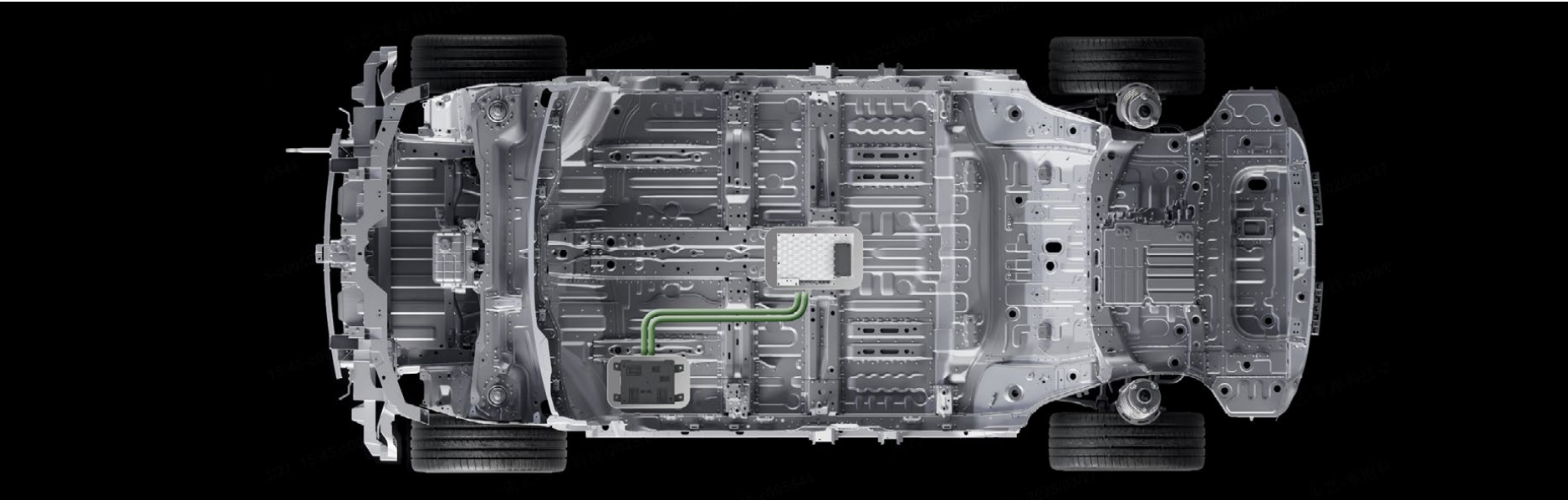
▶▶ 2024

Leapmotor C10 obtained the WVTAs<sup>6</sup> certificate

Leapmotor C16 won the China 10 Best Chassis Award

Leapmotor C16 chassis system won the Best Intelligence Award

Leapmotor's C11 Super Extended Range was shortlisted out of 640 models for the 4th China Auto Ceremony, with its core competitiveness such as ultra-long range and luxury-car suspension



<sup>6</sup> WVTAs: Whole Vehicle Type Approval

Self-developed electronic and electrical architecture

The electronic and electrical architecture underpins vehicle intelligence and connectivity, setting the upper limit for a vehicle’s smart performance. Building on the existing “Four-Leaf Clover” central integrated electronic and electrical architecture, Leapmotor has conducted in-depth research into more innovative regional control units to improve the performance of central supercomputing units. Through the centralized controller, we pool computational power for decision-making and boost the cockpit chip’s performance to optimize user experience. Additionally, improved intelligent driving algorithms and sensor performance have significantly enhanced overall intelligent driving. The architecture’s network security and functional safety have also been strengthened.

In 2024, we integrated cockpit, intelligent driving, powertrain, and vehicle body domains to realize “Four-Leaf Clover,” reducing communication latency from milliseconds to microseconds. This advancement enables the system to process and transmit data faster, making system response three times faster and boosting stability by 50%, which guarantees reliable vehicle performance under complex conditions. Overall, the energy consumption of the electronic and electrical architecture has been reduced by 25%, with better vehicle energy efficiency and extended electric vehicle range, offering users a more stable, economical, and eco-friendly driving experience. Due to our groundbreaking innovations and outstanding performance, we received the Automotive Industry Discipline Innovation Award in 2024.

On March 10, 2025, we launched the LEAP 3.5 architecture, a highly integrated solution that features the world’s first super-integrated central domain control architecture, the Qualcomm 8650 smart driving chip (a first for Leapmotor), LiDAR, and other smart driving hardware. Powered by a single super brain, it can meet the cockpit-driving integration needs for high-level intelligent driving, and support end-to-end assisted driving. Additionally, it boasts the world’s shortest wiring layout at just 996 meters and only 22 electronic controllers.

▶▶ 2024

Leapmotor's LEAP 3.0 Four-Leaf Clover Central Integrated Electronic and Electrical Architecture won the “2024 Disciplined Innovation Award · The Best Disciplined Innovation Tech” from the International Automotive Quality Standardization Association (IAQSA).

Self-developed intelligent driving system

Leapmotor remains committed to independently developing intelligent driving domain controllers, system software, and key algorithms for perception, planning, control, and positioning. By vertically integrating technological resources, we have leveled up our intelligent driving system. With an innovative combination of Qualcomm’s SA8650 chip, Hesai’s LiDAR, and self-developed end-to-end technologies, Leapmotor has achieved end-to-end assisted driving. The intelligent driving system supports automatic navigation assistance for both highways and urban settings, delivering a safer and more convenient driving experience.

In 2024, we finalized the development roadmap for our “end-to-end large model” intelligent driving system and established the Intelligent Technology Research Institute, expanding our intelligent driving team to over 500 members. We achieved breakthroughs such as highway NAP<sup>7</sup>, urban NAC<sup>8</sup> and HPA<sup>9</sup> parking memory. We continued to invest heavily in AI computing power and data infrastructure to ensure the development and mass production of our end-to-end large AI model. We plan to realize urban NOA<sup>10</sup> on the new LEAP 3.5 architecture by the end of 2025, positioning ourselves among the top tier of intelligent driving leaders.

| End-to-end assisted driving |

Cognition upgrade

Powered by Qualcomm’s SA8650 intelligent driving chip built on a 4nm process, the system delivers 200T of equivalent computing power while optimizing energy consumption by 50% compared to similar models, achieving a balance of high performance and low energy consumption.

Perception upgrade

Equipped with Hesai’s ultra-high-definition long-range LiDAR, the system features a 300-meter ultra-long detection range, a 140-degree ultra-wide view, a sampling rate of 24.6 billion units per second, and a 99.9% noise reduction. This ensures rapid detection of objects and road condition changes, enabling swift responses to the surroundings.

Response upgrade

Our proprietary end-to-end assisted driving supports continuous upgrades and effortlessly adapts to changing road conditions, allowing even novice drivers to navigate with ease.

The Company keeps delivering the latest technology upgrades to both new and existing users. In LEAP 2.0 architecture models, we have completed 8 OTA<sup>11</sup> updates, which introduce or optimize over 50 features, including NAP for highway assisted navigation, LDW strategy optimization for lane changes, healthy charging, and smartphone remote control. In LEAP 3.0 architecture models, we have accomplished 8 OTA upgrades with over 100 new and optimized features, such as NAP coverage for nationwide highways, HPA parking memory, and large AI voice models.

▶

**2024**

**The research and application of the automotive-grade vision processing chip and the key perception technology won the second prize of Scientific and Technological Progress Award from the China Intelligent Transportation Systems Association.**

**The paper *ADMap: Anti-disturbance Framework for Vectorized HD Map Construction* has been accepted by ECCV 2024.**

**The paper *IC-FPS: Instance-Centroid Faster Point Sampling Module for 3D Point-base Object Detection* has been accepted by IROS 2024 and selected for an Oral Presentation.**

Self-developed smart cockpit system

Leapmotor’s self-developed smart cockpit system, with its highly integrated interactive functions and deep integration of AI technologies, forms a complete closed-loop ecosystem covering hardware architecture, operating systems, and applications. It features a 3D visual operating system and integrates a rich application ecosystem and powerful voice interaction functions powered by the industry-leading Qualcomm 8295 chip, which ensures fast response and smooth interaction of the in-vehicle infotainment system. This creates a full-scenario immersive smart cockpit experience for users that integrates intelligent interaction, infotainment, and convenient control.

Through an immersive 3D cockpit experience, we seamlessly integrate “human-vehicle-environment” inside and outside the car. The screen of our vehicle system delivers ultra-smooth interactions. For OTA updates, we continuously optimize the CAN<sup>12</sup> communication node upgrade scheme, increasing the single OTA flash speed by 200% and reducing over half of the overall OTA flash time. The maximum flash time is within 8 minutes, guaranteeing that users enjoy a consistently updated, natural, unified, and smooth interaction experience.

The Company has polished our new self-developed interaction system by enhancing both the UI design and operational experience. The interface creates an immersive interactive environment, supported by an intelligent desktop layout and an extremely intuitive operating logic that ensures ease of use. On the functional level, we support dynamic wallpaper switching, customizable functional modules, and multi-task split-screen operations, allowing users to personalize their cockpit and enjoy a unique driving experience.

Now, we are taking a major step toward intelligence by integrating the Tongyi Qianwen and DeepSeek. The two AI large-model engines, which support millisecond-level responses to voice, image, and multi-modal inputs, provide users with a variety of intelligent voice interaction options. Users can flexibly configure these models based on their personal preferences and needs through the vehicle’s voice settings. These innovative measures reflect Leapmotor’s commitment to technological diversity and a deep understanding of and respect for the user experience, allowing every car owner to enjoy a personalized, intelligent driving journey.

<sup>7</sup> NAP: Navigation Assist Pilot  
<sup>8</sup> NAC: Navigation Assist Cruise

<sup>9</sup> HPA: Home-zone Parking Assist  
<sup>10</sup> NOA: Navigate on Autopilot

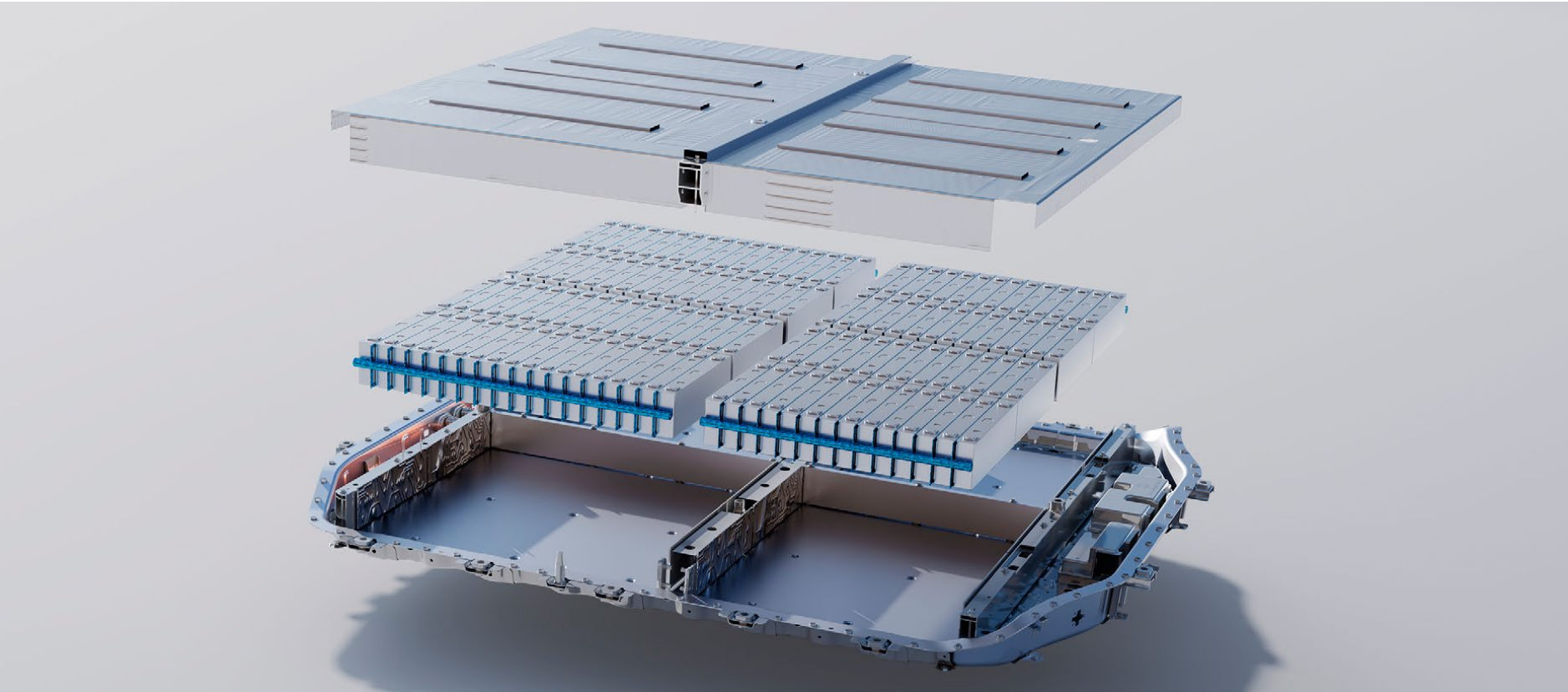
<sup>11</sup> OTA: Over-the-Air Technology  
<sup>12</sup> CAN: Controller Area Network



Self-developed battery system

Leapmotor continuously leads industrial innovation in CTC<sup>13</sup> technology. We have recently launched the world's first CTC 2.0 Plus cell-to-chassis system, achieving overall breakthroughs in terms of safety, integration, and intelligence. The super multifunctional cell-to-chassis architecture of this pioneering system deeply integrates the battery with the chassis and the body to replace the independent battery pack design, and further integrates high and low voltage and control modules within the battery pack, forming the cell-to-chassis integration instead without a battery pack. Its first-ever nine-in-one ultra-integrated battery control system features zero wiring design for functional units, increasing the battery capacity by 19% compared to similar systems. Additionally, the equipped adaptive AI BMS, which deeply collaborates with the Four-Leaf Clover Central Integrated Electronic and Electrical Architecture, has

a spider web-like active data acquisition system, with 1% increase in battery charge estimation accuracy, 30% reduction in the battery thermal management energy consumption, and 2% improvement on the vehicle's range. In line with the strictest safety design standards in the industry, this technology has passed 1,029 safety-related tests and 128 performance verifications through a six-layer safety protection system that combines "source + vision + isolation + blockage + drainage + cooling", and has been safely delivered over 200,000 sets by far. In the future, this technology platform will be compatible with multiple chemical systems and voltage platforms to allow users to enjoy the ultimate electric experience brought by innovative technology without worrying about technical routes. The Company had 579 battery patents by the end of 2024, with an over 50% proportion of invention patents.



Self-developed electric drive system

Leapmotor has developed a new-generation electric drive system based on deep integration technology, optimizing both structure and efficiency through multi-dimensional technology fusion. The integrated 7-in-1 design merging the VCU<sup>14</sup>, OBC<sup>15</sup>, DCDC<sup>16</sup>, PDU<sup>17</sup>, MCU<sup>18</sup>, motor, and reducer significantly reduces system weight while enhancing long-range performance. The industry-first VCU/MCU system-level integration has reduced response time to 2 milliseconds, realizing instantaneous perception-to-decision reactions for drivers' operational ease and smoothness.

Through architectural innovation and modular design, the C16 electric drive maintains the same dimensions for both low and high voltage systems (400V to 800V) and high component compatibility. This electric drive has evolved into five derivative models on the same platform, enabling Leapmotor to achieve rapid, low-cost, high-quality development and significantly expand market reach. In terms of quality, noise has been limited to within 76dBA, a luxury-grade level for a serene and comfortable driving environment. Moreover, our vehicles maintain consistent performance even under long-term high-frequency usage. The next-generation high-voltage flat-wire oil-cooled electric drive system achieves 97.5% peak efficiency and over 92% CLTC<sup>19</sup> efficiency, ranking at the industry's forefront. Its record of consistent peak performance under continuous acceleration over 100 kilometers is 10 times that of traditional water-cooled electric drives, proving its long-lasting, superior quality.

In 2024, the comprehensive performance of Leapmotor's electric drive system 3IPTV<sup>20</sup> has a year-on-year improvement by over 30%, and more than 140 patents applications filed throughout the year in electric drive technology. Besides, we are also working on electric drive big data and have applied for 15 invention patents.

2024

The LS220CH1 oil-cooling electric drive system equipped in the Leapmotor C16 has been awarded both the honorary titles of "4th World's Top 10 Electric Drive System" and the "China Heart" 2024 Top 10 New Energy Vehicle Power System.

<sup>13</sup> CTC: Cell to Chassis

<sup>14</sup> VCU: Vehicle Control Unit

<sup>15</sup> OBC: On-Board Charger

<sup>16</sup> DCDC: Direct Current to Direct Current Converter

<sup>17</sup> PDU: Power Distribution Unit

<sup>18</sup> MCU: Micro Control Unit

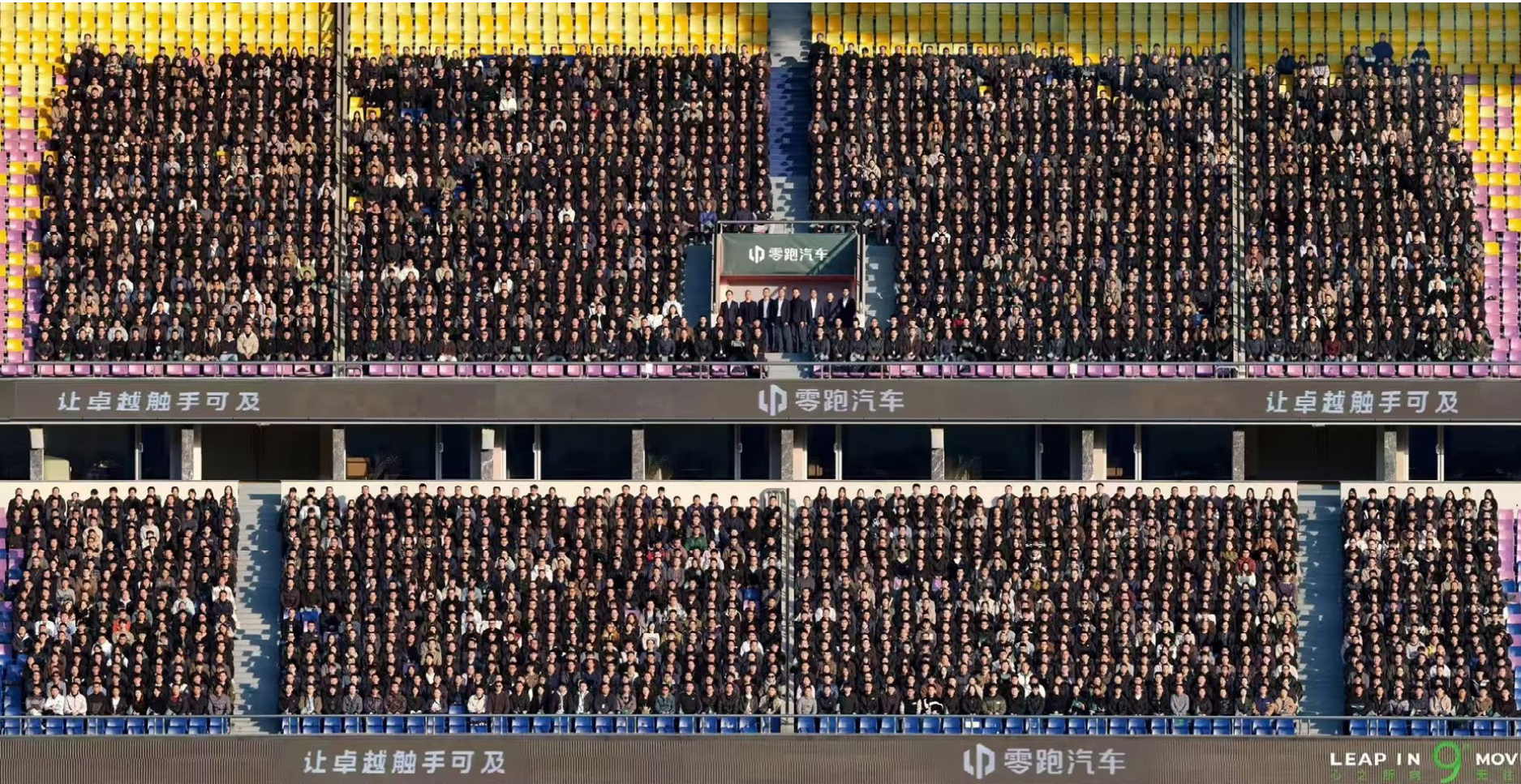
<sup>19</sup> CLTC: China Light-duty Vehicle Test Cycle

<sup>20</sup> 3IPTV: 3rd Generation Integrated Power and Torque Vectoring



## 2.1.2 Innovation Culture

At a critical time for the deep transformation and sustainable development of automotive industry, Leapmotor positions the innovation culture as the core engine to drive the Company towards intelligent and green development. We build diverse research teams, continuously improving innovation incentive mechanism, the open R&D platform, and the baseline of “technology for social good”, ensuring that technological progress always serves human well-being.



5,000 Leapmotor engineers, the witnesses and participants of China's new energy startup story, during Leapmotor’s ninth anniversary

### Diverse teams

Leapmotor has a well-defined innovation R&D structure with clear responsibilities, bringing together a diverse senior management team with backgrounds in technology, automotive, information technology, and finance. We also maintain close cooperation with universities such as Zhejiang University, University of Science and Technology of China, and Soochow University etc. We carry out projects like graduate training base and joint doctoral training to keep introducing fresh talents and innovative vitality into the Company. Over the past 9 years, our R&D workforce has ballooned from 41 to nearly 5,000, with a scale increase of over a hundredfold, demonstrating strong vitality in technological innovation.

### Innovation incentives

Leapmotor actively promotes technological innovation, and has established a holistic incentive framework, including performance-based compensation and innovation incentives. We carry out regular “Instant Reward” evaluations, annually compile and distribute patent rewards, and incentivize team and individual innovation through “Outstanding Team Award”, “Outstanding Individual Award” and various special awards. This consciously enhances employee independent innovation capabilities and motivation, and improves the Company's patent creation, utilization, and protection levels.

### Technology for social good

“Technology for social good” is Leapmotor's firm determination. It embodies the brand's original aspiration and also a solemn pledge to the future. We respect the differences between countries and regions around the world and we have established an information security department tasked with implementing the Company's understanding of “technology for social good” and assessing the potential moral and ethical risks of technology research and application. We continuously refine our algorithm security management systems, including the algorithm security self-assessment system, algorithm security detection system, emergency response system for algorithm security incidents, management system for algorithm violations, algorithm review system, and algorithm operation and maintenance (O&M) system. We also regularly conduct algorithm self-assessments and special inspections, while incorporating the findings of algorithm review and inspection into performance evaluations and reward/penalty mechanisms. Furthermore, we have developed AI large model knowledge governance regulations to ensure the standardized operation, guidelines, and sensitive information protection for the application of large models in combination with the Company's knowledge.



### 2.1.3 Diverse Collaboration

Despite global competition and industrial transformation, the innovation-oriented Leapmotor has built a diversified and collaborative industrial ecosystem with an open and integrative strategic mindset. With breakthroughs in the boundaries of traditional industries, Leapmotor has achieved a strategic leap from “technology import” to “model export” of Chinese car enterprises. Relying on enhanced cross-system and cross-field cooperation, we innovatively integrate the technological vitality of new forces with systemic advantages of traditional manufacturing, offering a more globally competitive intelligent electric mobility solution. These practices not only restructure the industrial value chain, but also contribute a Chinese model of openness, inclusiveness, and mutual benefit to the transformation of the global automotive industry.



On May 24, 2024, Leapmotor and Stellantis, the world’s fourth-largest automaker by volume, jointly announced the establishment of Leapmotor International B. V., pioneering a new model in China’s automotive industry. The Company became the first Chinese “reverse joint venture” focusing on its own brand and product export, achieving a historic shift from “bringing in” to “going global” among Chinese automakers. Through such strategic cooperation, both parties deeply integrates Leapmotor’s technological advantages in intelligent electric vehicles with Stellantis’ global network, contributing to providing global consumers with more competitive intelligent electric mobility solutions.



On March 3, 2025, Leapmotor and FAW Group signed a *Memorandum of Understanding on Strategic Cooperation*, becoming the first privately-owned new car manufacturer to engage in deep cooperation with a state-owned automotive central enterprise. Relying on breakthroughs in the boundaries of traditional industries, both parties fully leverage their respective technological experience in R&D, jointly develop new energy passenger vehicles and cooperate in spare parts, enhancing product competitiveness and driving synergy across the entire industry chain through capital cooperation. With the dual-driven model of “joint R&D + capital coordination,” such cooperation is expected to explore a new path for the transformation and upgrading of China’s automotive industry.



Leapmotor actively engages in industry association alliances. We fully exert our industry-leading role, take the lead in organizing seminars and technical exchange forums, promote industry experience sharing and best practice promotion, and actively participate in the formulation of industry technical standards and regulations. The Company also vigorously promotes the deep integration of industry, academia, and research, cooperates with a number of renowned universities and top research institutions, and effectively integrates innovative resources through joint development and technology transformation. This continuously injects new momentum into the high-quality development of the new energy vehicle industry, promoting collaborative innovation and shared progress along the entire industry chain.

We applied for the “Pioneer and Leading Goose+X” R&D programs of the Department of Science and Technology of Zhejiang Province: *Research on In-depth Defense Technology for Vehicle Information Security and Vehicle-Cloud Integration*, in collaboration with Zhejiang University, and *Integrated Sensing and Decision-Making Model and Brain-like Computing Method for Unmanned Driving*, in collaboration with Hangzhou Dianzi University. In terms of creative exterior design of vehicles, Leapmotor comprehensively promotes creative vehicle appearance design solutions by conducting internal R&D and utilizing external cooperation resources to introduce cutting-edge design concepts and innovative thinking. We also launch design competitions and funding graduation projects, providing a platform for outstanding design talents to display their works. In 2024, we collaborated with Zhejiang Sci-Tech University to develop the application of phase change material as temperature buffer material in interior design, aiming to reduce energy loss and carbon footprint from air conditioning use.

We actively participate in the formulation of industry standards to facilitate the standardized development of the industry. In 2024, Leapmotor participated in the formulation of the local standard *Regulations for the Construction and Management of Enterprise R&D Institutions* to construct a systematic framework for corporate R&D management. In addition, we developed two group standards, *Design Specification for Household Energy Storage* (TCASMES 290-2024) and *Lithium Ion Battery for Energy Storage— Technical Requirements for Cold Plate Liquid Cooling Temperature Control System* (TCASMES 301-2024), to provide standard references for the design of household energy storage and the relevant technical requirements for cold

plate liquid cooling temperature control system of energy-storing lithium-ion batteries; we also participated in the drafting of the *Guidance of Data Governance for Platform Economy*.

We work closely with our partners to deliver superior products and services to our users. On March 15, 2024, we held a signing ceremony with Huawei and announced the launch of native Leapmotor APP development based on HarmonyOS NEXT.

Case

Leapmotor and Stellantis in the era of joint chassis tuning

As the skeleton of a car, the chassis is crucial to overall vehicle comfort, handling, and safety of intelligent driving. Chassis tuning will play an increasingly important role in the era of electric vehicles. Based on the global strategic partnership between Leapmotor and Stellantis, from January 2024, Stellantis' Maserati, and Leapmotor's chassis R&D team have jointly tuned Leapmotor products. Over 100 scheme validations have been carried out in several rounds at the Balocco test site in Italy and CATARC proving grounds in Yancheng, China, enhancing the global competitiveness of Leapmotor products.





## 2.1.4 IPR Protection

Leapmotor strictly follows laws and regulations such as the *Patent Law of the People's Republic of China* and the *Copyright Law of the People's Republic of China*. After obtaining the GB/T 29490-2013 Intellectual Property Management System Certification, we have further improved our intellectual property management system by adding new regulations such as the *Patent Management Measures* and the *Copyright Management Standard* to provide institutional guarantee for safeguarding intellectual property rights.

In strict compliance with the *Trademark Law of the People's Republic of China* and other relevant regulations, we have established a comprehensive trademark lifecycle management system. We have also introduced the *Trademark Management Standards* to define procedures for trademark registration, use, maintenance, and infringement response, ensuring law-based and standardized trademark management.

Meanwhile, the Company continues to build up capabilities in intellectual property rights. Through systematic training and special publicity, we enhance employees' awareness and ability to protect intellectual property rights. In 2024, the Company organized 9 IP-related activities.

### Patent risk protection mechanism

We continue to optimize the IP risk management system.

### R&D risk assessment

We embed the patent risk management mechanism into the entire R&D process and conduct systematic patent risk assessments at critical R&D stages to integrate IP risk prevention with R&D.

For complex and challenging issues, we have established a collaborative mechanism with external professional institutions to conduct special reviews using expert resources. This ensures that potential risks are promptly identified and effectively mitigated, strongly supporting smooth progress at critical project stages.

▶▶ 2024

548

New granted patents

103

New overseas patent applications

2,371

Granted patents in total

Case

### Enhancing IP training to drive innovation

In April 2024, Leapmotor hosted IP Week, delivering dedicated training sessions focused on patent search skills and foundational IP knowledge. The training was conducted online and in person, providing employees with a diverse learning experience. During the event, we conducted 48 hours of training, hosted four Q&A sessions, and engaged 252 participants, significantly enhancing employees' IP awareness and professionalism.



Leapmotor intellectual property awareness campaign



IPR training course



IPR Q&A

## 2.2 Excellent Quality

Putting user value first, Leapmotor aims to provide high-quality products and services. We keep improving our quality and safety standards and systems while promoting product lifecycle quality management. We actively cultivate a quality culture, and strive to enhance product quality and safety management levels and service awareness, hoping to create worry-free and enjoyable travel experience for users.

### 2.2.1 Quality Management System

While strictly adhering to quality-related laws and regulations, Leapmotor has established the Quality Management Committee, which is chaired by the Company's senior vice president and includes heads of each business area as members. Its primary responsibilities include formulating the Company's quality and safety management strategy, planning and making decisions on major quality and safety matters, and guiding the development

of the Company's NEV safety system. In addition, the committee has set the New Energy Quality and Safety Working Group, which is responsible for implementing the Company's quality and safety management strategy and planning and coordinating various resources to promote the development of the NEV safety system. The aim is to improve the quality and safety of Leapmotor products. With the concept of “quick control, quick action, and quick countermeasures”, the committee holds monthly quality meetings in the Company to report and make decisions on relevant quality issues that are progressing slowly or have significant market risks, and urge responsible departments to make rapid response, analysis and improvement.

In 2024, with the strategic quality goals of “Building a Quality Benchmark for New Energy Vehicles with Zero Defects in Quality and Zero Customer Complaints”, the Company continues to improve the quality management system, with 467 quality management system documents at different levels formulated and 230 documents revised, covering various processes including manufacturing, delivery, and non-conforming product control, etc. At the same time, after obtaining the IATF 16949 and ISO 9001 quality management system certifications, the Company has established a quality management system for the laboratory of the incoming inspection department, based on the ISO/IEC 17025 laboratory management system. The laboratory has obtained the CNAS certification and recognized by the national authority.



The laboratory of the Vehicle Quality and Incoming Inspection Department obtained the CNAS certification



### 2.2.2 Full Lifecycle Quality Management

Leapmotor adheres to the quality principle of “creating high-value products with the best cost-performance ratio to provide users with an unparalleled driving experience”. Leapmotor fully implements the requirements of IATF 16949 and ISO 9001 quality management systems, and sorts out areas with high quality risks based on the core quality objectives and process quality objectives stipulated in the *Quality Objectives Management Procedure*. We conduct actions such as “operation observation”, “special inspection on errors and omissions”, and “process inspection”. We further improve the full lifecycle quality management, including R&D quality management, supplier quality management, and incoming inspection management etc, strengthening the capabilities of identifying, analyzing, solving, and preventing issues. In 2024, the Company won 9 awards, including the third prize of Zhejiang Excellent QC Achievement, and the first prize of Zhejiang Excellent Quality Management Paper.

In response to potential quality risks, the Company focuses on enhancing preventive testing of products. We conduct change point management (CPM) to prevent related risks, and we have also built a big data quality warning platform based on a remote monitoring platform, with the aim of improving the automation and digitization of quality warning, so that we can locate and timely address quality issues identified in the market, and maximize the control of product quality risks. In 2024, all quality safety complaints were properly handled and no product recall incidents



Leapmotor C16 won the 2024 Disciplined Innovation Award-The Best Disciplined Innovation Car from the International Automotive Quality Standards Association



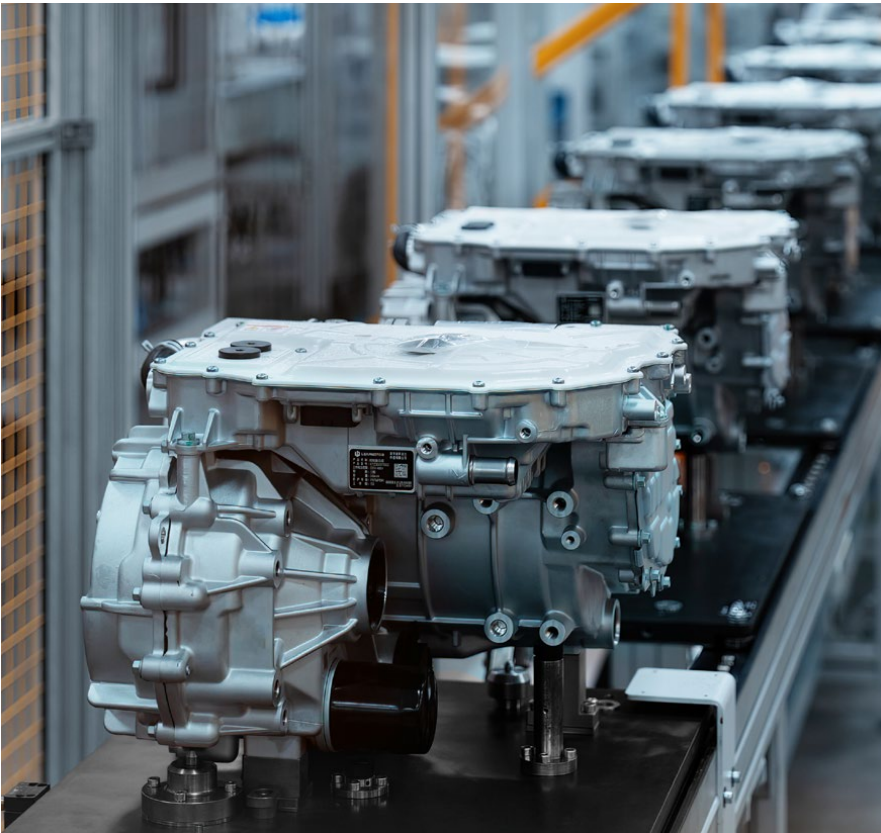
Leap C10 was ranked No.1 in the satisfaction of market-anticipated new cars (SUV) in 2024 by the China Association for Quality, out of 40 auto brands from 32 auto manufacturing enterprises nationwide

Leapmotor Main measures and results of full lifecycle quality management	
R&D quality management	Following relevant system documents such as the <i>IPD<sup>21</sup> Vehicle Product Development Manual</i> , the <i>Vehicle Trial Production Management Procedures</i> and the <i>Historical Issue Avoidance Procedures</i> etc., we set detailed technical specifications for product safety and reliability, and organize process quality testing and verification to ensure that the product design meets the established quality objectives.
Supplier quality management	We strictly regulate the processes of supplier admission, risk control and quality issue management, etc., in accordance with the <i>Supplier Quality Management Manual</i> . We also promote the full lifecycle quality management of components and further guarantee the product quality of the supply chain through vertical integration of the industrial chain, and close partnerships with suppliers. For more details, see “5.1 Building Sustainable Supply Chains”.
Incoming quality control	We continuously improve inspection capabilities across multiple dimensions such as part performance test management and incoming quality control, etc., ensuring 100% quality compliance at the incoming stage. In 2024, there were 0 abnormal changes in incoming materials and 0 quality problems caused by material changes in production and the market.
Manufacturing quality management	In accordance with the systems such as the <i>Production Process Management Measures</i> , the <i>Equipment Management Procedures</i> and the <i>Power Facility Management Procedures</i> , etc., we have established multi-level standard documents covering procedures, management measures, and on-site process guides, etc. We carry out routine and phased inspections, enhance production line automation and increase product test coverage to ensure delivery quality.
Vehicle inspection management	Following the <i>Vehicle Inspection and Management Procedures</i> , we have formulated the <i>Vehicle Inspection Benchmark Book</i> , covering 9 modules and 3,658 inspection items. Meanwhile, we have established inspection standards for full inspections and tests on vehicles off the assembly line. In 2024, we received 0 complaints for assembly errors.
After-sales quality management	Leapmotor strictly abides by the <i>Regulation on the Administration of Recall of Defective Auto Products</i> and relevant regulations of government authorities as well as different countries where our products are sold. The Company has formulated the <i>Market Recall Management Specification</i> to outline the distinct processes for voluntary and mandatory recalls. We have published 12 monthly recall reports and identified 70 issues that need to be avoided.
	We facilitate the quick analysis and improvement of quality issues in accordance with systems like the <i>Market Quality Issue Rapid Response Management Standard</i> and the <i>Improvement Procedures for Market Quality Problems</i> , etc. Meanwhile, we have established a big data early warning model based on the remote monitoring platform, which allows us to proactively identify and address quality issues arising from the market, thereby reducing customer complaints.
	In accordance with the <i>Complaint Handling and Management Procedures</i> , we have established the 0 IPTV <sup>22</sup> quick response and improvement mechanism to enhance root cause correction, ensure delivery quality at our stores, and prevent users from personal injury and property loss caused by product quality issues.

<sup>21</sup> IPD: Integrated Product Development  
<sup>22</sup> IPTV: Incidents per Thousand Vehicles

### 2.2.3 3E Quality System

Based on the advanced concepts and standards of IATF 16949 and ISO 9001, Leapmotor continuously improves the 3E quality management system, covering key areas such as the R&D, supply chain, production, manufacturing, and marketing of electronic products, electric battery, and electric drive forming a closely connected quality management loop to enhance the safety, reliability, and advancement of our products.



#### | Leapmotor Key Measures and Results of 3E Quality System Improvement |

##### Electronics product line

- The Company conducts end-to-end quality control of products with the IPD product process management and Six Sigma, lowering quality risks.
- The Company has revised the *Integrated Electronic Development Process*, ensuring that backend quality issues are thoroughly reviewed and verified during the early stages of development. This helps us create a feedback loop for issue resolution.
- Based on a cloud-based data monitoring platform, we have established a warning and closed-loop management mechanism for product quality, improving the whole-procedure quality guarantee system from manufacturing to service.

##### Battery product line

- We improved the *Product Safety Management Procedures* and the *DFMEA<sup>23</sup> Management Measures*, standardized the systematic safety management requirements throughout the entire product lifecycle, and clarified risk identification, improvement processes, and measures during the development of new products.
- We have enhanced the battery product line's sales and service module, covering the full management process from order review to order fulfillment and shipment.
- We have updated component qualification management standards on the R&D side and optimized inventory material management on the manufacturing side.

##### Electric drive product line

- We have overhauled quality control processes by embedding the “zero-defect” philosophy into every control node for preventative quality management.
- We have established a quality big data monitoring center to track quality and data from production to end customers in real time. Leveraging AI-driven big data models, we have implemented full-chain early warning monitoring to drive continuous product quality improvements.
- We promote an electric drive quality culture through initiatives such as Quality Month activities and quality training system development. In 2024, our overall electric drive quality ranked among the top of the industry in China.

<sup>23</sup> DFMEA: Design Failure Mode and Effects Analysis



2.2.4 Quality Culture

Leapmotor is building a digital platform for quality culture and enhancing employees' quality awareness through various activities such as skills competition, QC quality improvement, and Quality Month, thereby fostering a strong culture where all employees value quality and pursue excellence.

The Company keeps improving the quality training system for employees and providing diverse courses, including quality cost management, identification and determination of automotive product defects, recall supervision systems, and risk alerts. These courses provide targeted quality education for employees at different positions and stages, ensuring that the seeds of quality expertise spread widely within the organization. Additionally, we introduce external professional resources to strengthen team quality awareness and management capabilities through training, thereby laying a solid talent foundation to support the Company's sustainable growth and quality excellence. In 2024, 23 internal quality courses were developed, and 6 external quality training sessions were organized, with a coverage rate of 100 for employees in key departments' quality training.



Type of training	Content of quality training
New employee onboarding training	Onboarding training includes occupational norms and fundamental technical knowledge, allowing employees to recognize the significance of product quality and develop quality awareness.
Job rotation training	Employees must undergo pre-job theoretical and practical training before being transferred or rotated in order to ensure the quality of their output following the job transfer.
Professional skills training	Leapmotor conducts professional skills training or adopts methods such as mentorship to cultivate professional talents and further drive product quality improvement by advancing professional skills.
Management personnel training	Leapmotor improves the efficiency and quality management capabilities of management personnel through targeted training programs.

Quality Month

Leapmotor promotes quality knowledge offline and makes quality voices heard online.

Quality Skills Competition

Leapmotor hosts the first "Leapmotor Cup" skills competition. In 2024, 951 people participated in the skills competition, a year-on-year increase of 23%.

Quality Improvement Campaigns

Leapmotor expands the scope of QC activity and adds more awards, accepting 46,488 quality improvement proposals, a year-on-year increase of 382%.

Quality Training Campaigns

Leapmotor carries out quality training, including new hires training, onboarding training, and professional skills training.

## 2.2.5 Driving Safety Guarantee

Safety is Leapmotor’s solemn promise to users. Leapmotor always prioritizes user life safety, strictly confirming to authoritative safety standards such as five-star C-NCAP<sup>24</sup>, C-IASI<sup>25</sup> GGGG, and E-NCAP<sup>26</sup>. Leapmotor focuses on key areas such as battery safety, vehicle body safety, driving safety, and healthy in-car space, constantly upgrading safety assurance technologies to create a safe, healthy and worry-free condition for every journey.

### Battery safety

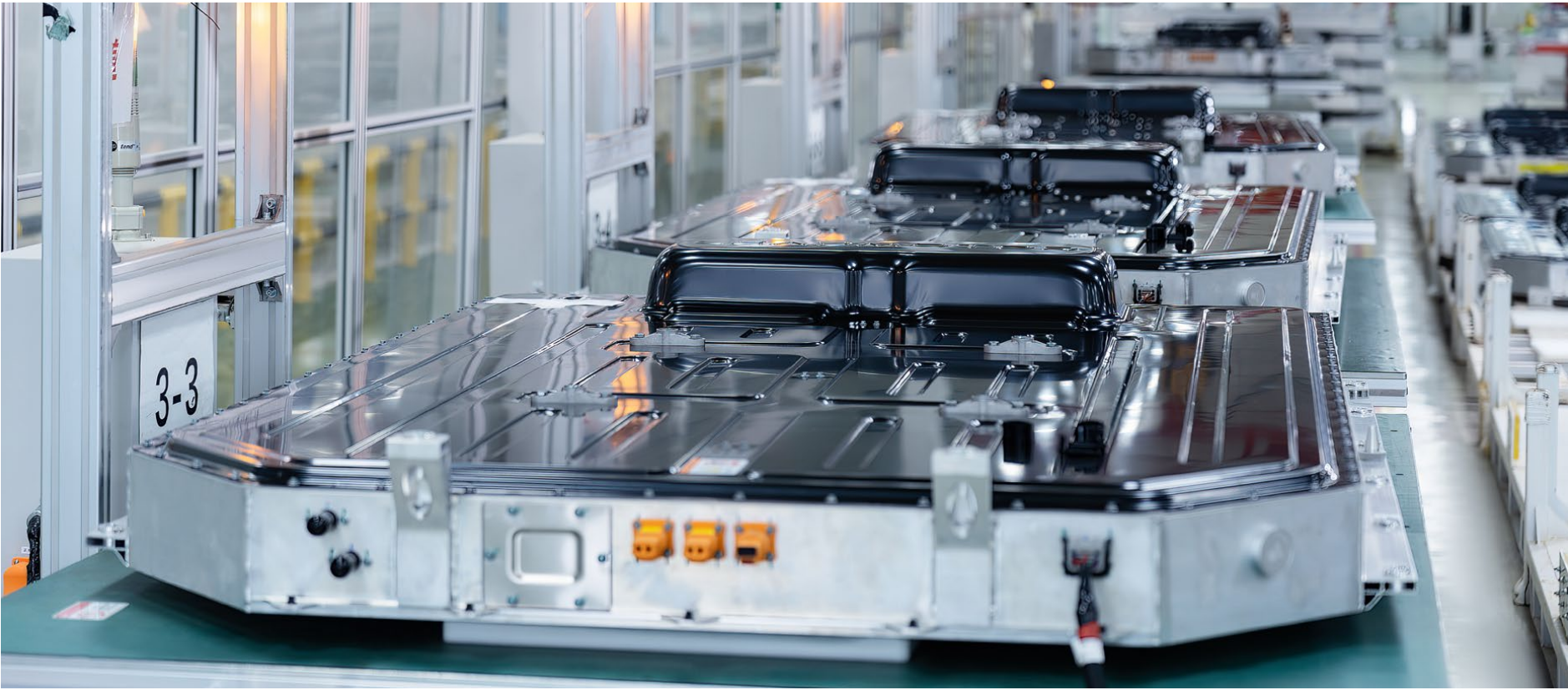
Battery safety, a core element of NEV safety performance, forms the foundation for overall vehicle safety. The CTC 2.0 Plus technology is applied through integrated stamping and forming to create a mutually-supporting structure with the vehicle body, enhancing bottom structure strength by 90%. Additionally, we incorporate an AI-powered battery management system (BMS<sup>27</sup>), enabling real-time monitoring of individual cell health and full lifecycle digital management.

In 2024, the Company has developed documents such as the *System Safety Design Checklist*, the *General Specifications for the Safety Design of Power Battery Systems*, and the *Freeze and Review Methods for Power Battery System Design*, from multiple dimensions including system thermal safety, electrical safety, mechanical safety, and functional safety, to ensure that every design that may affect safety is fully protected, standardized, and implemented. At the same time, the Company has standardized and developed processes for thermal safety testing, abuse safety testing, and testing disassembly and analysis to ensure full coverage of critical safety points. The Company conducts horizontal comparison of projects, summarizes common issues and formulates and implements improvement measures to optimize safety performance and enhance battery safety.

As for the early identification of safety risks in the battery system, the Company has conducted in-depth studies on user habits of charging and discharging and vehicle operating conditions, etc., and has developed a “mechanisms + operating conditions + machine learning” AI safety warning model based on electric cell short-circuit and insulation failure mechanisms, etc., in order to identify vehicles with safety risks in advance, issue timely warnings, and take countermeasures. Additionally, the Company has optimized and implemented

management strategies like LCM<sup>28</sup> and healthy charging, employing multi-redundancy controls over charging behaviors to further reduce the safety risks of the battery system.

In terms of safety testing and verification, the Company conducts tests on battery packs under various extreme conditions. For instance, the CTC 2.0 Plus technology, which follows the most stringent safety design standards in the industry and features six-tier safety protection through “source, visualization, insulation, resistance, heat dissipation, and cooling”, has gone through a total of 34 certification tests, 1,029 stringent safety tests, and 128 performance tests. Equipped with CTC 2.0 technology.



▶▶ 2024

Leapmotor C10 obtained the five-star safety assessment certification in the China Electric Vehicle Fire Safety Index (C-EVFI)

Leapmotor C11 obtained the five-star safety assessment certification in the China Electric Vehicle Fire Safety Index (C-EVFI)

<sup>24</sup> C-NCAP: China-New Car Assessment Programme

<sup>25</sup> C-IASI: China Insurance Automotive Safety Index

<sup>26</sup> E-NCAP: European New Car Assessment Programme

<sup>27</sup> BMS: Battery Management System

<sup>28</sup> LCM: Life Cycle Management



Vehicle body safety

Leapmotor values the stability of its vehicle structure, employing superior high-strength materials on various models to improve the collision resistance and overall safety of the vehicle and provide users with a more secure and reliable traveling experience.

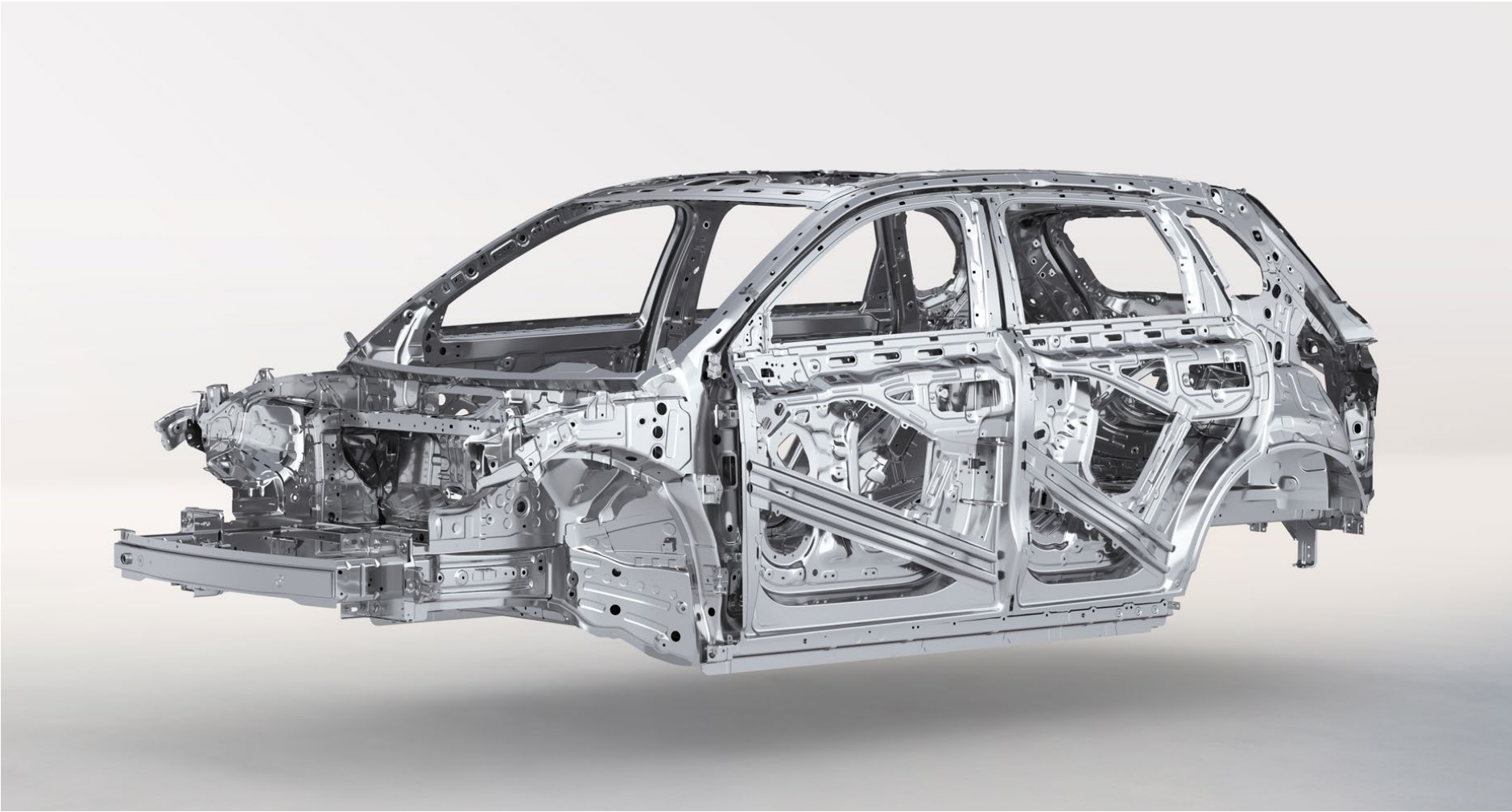
While carefully selecting materials, we also conduct refined structural design, such as dual load path design and high-rigidity cage-type body structure, to ensure the integrity of the passenger compartment in the event of a collision. Furthermore, we ensure the safety of occupants post-collision through iterative system matching optimizations and comprehensive safety configurations.

▶▶ 2024

Leapmotor C10 obtained the Euro NCAP Five-Star Safety Certification.

Leapmotor C10 obtained the ANCAP Five-Star Safety Certification.

Leapmotor C10 obtained the C-NCAP Five-Star Safety Certification.



Driving safety

To reduce conditions that trigger traffic accidents and relevant risks, the Company transforms safety management from traditional “passive protection” to “active prevention” through intelligent and proactive dynamic control, such as the self-developed LMC integrated motion fusion control technology and intelligent driving assistance technologies, ensuring users a safer driving experience in their daily travel.

The autonomous driving system plays a crucial role in preventing accidents, enhancing driving experience, and safeguarding lives and property. To this end, Leapmotor's self-developed autonomous driving assistance system is equipped with a suite of features, such as automatic emergency braking (AEB), forward

vehicle distance detection (FVDD), and forward collision warning (FCW) to provide comprehensive protection for driving safety.

In the application of the augmented reality heads-up display system, our smart cockpit can realize real-time display of information such as speed, steering angle, and blind-spot assist imagery, improving the access to information and strengthening safety while driving.

In terms of the driver assistance imaging system, we utilize various sensors installed in the smart cockpit to provide multiple images including panoramic, blind-spot, narrow lane, reversing, and interior rear-view imaging. Concurrently,

video data is captured by in-cabin cameras to monitor drivers for real-time abnormal conditions such as fatigue and distraction. Upon detection, the system will promptly remind the driver to adjust his/her condition through visual, auditory, or tactile warnings, so as to prevent potential risks and ensure comprehensive driving safety.

For advanced functions like NAP, we will have operation instructions pop-ups to users through the Leapmotor APP before they activate and use them for the first time. Users must read and learn online before activation to ensure that they genuinely master these functions.

Case

LMC integrated motion control chassis

Leapmotor's self-developed LMC integrated motion control chassis system has boosted driving experiences in multiple dimensions. In terms of precision, the LMC system demonstrates integrated control capabilities from the start, ensuring driving stability, especially in complex road conditions such as rain and snow. Its dynamic steering assistance, millisecond-level response, and active guidance functions enable the system to adapt quickly to changing road conditions for better safety. Stability is another core advantage of the LMC system. It allows for stable vehicle control even in emergencies, such as tire blowouts, and safe braking at speeds of up to 120 km/h, providing strong protection for high-speed driving. Moreover, the system's high-speed pre-stability control function proactively adjusts vehicle status, while the “motion cerebellum” provides real-time, precise control, enhancing stability and safety under various driving conditions. This delivers a safe driving experience for users.



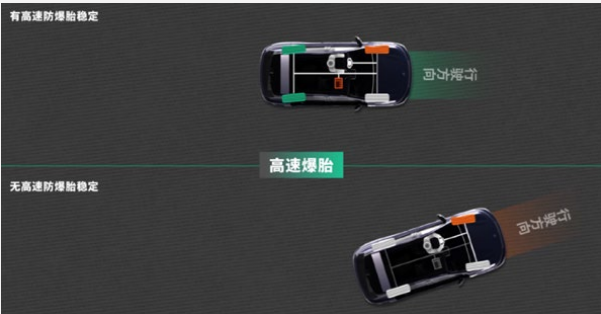
Integrated launch control

Careful protection for driving on snow-covered and icy roads



Dynamic steering assist

Millisecond response and active guidance



Blowout stability control

Stable parking at 120km/h



High-speed pre-emptive stability control

Real-time and precise control of high-speed cornering



Healthy in-car space

Leapmotor attaches great importance to a series of issues that users are concerned about, including formaldehyde levels, interior odors, air quality, sound insulation, and sun protection. Committed to creating a healthy and relaxing “third space” for users, the Company adopts various measures to control the in-car air quality in the development, design, and production stages of all models.

During the development stage, we have set up the Materials and Environmental Protection Department. While selecting materials, we prioritize materials with low odor and low volatility to lay the foundation for good in-car air quality. We also conduct multiple rounds of strict verification on the vehicle in scenarios including not only the normal temperature mode stipulated by the national standard, but also the high temperature mode and air conditioning mode, in order to ensure that the vehicle meets health and environmental protection requirements in different scenarios.

During the mass production stage, we regularly conduct odor inspections on the vehicle and components to ensure consistent in-car air quality. In addition, we have established an odor evaluation team to control odors perceived by users in the first place, ensuring that delivered vehicles can provide users with a good odor experience.



“零甲醛”汽车  
零跑C10  
530智享版  
2024年1月  
证书编号: HCAR0000220240011  
“中国汽车”为: 中国汽车技术研究中心有限公司(CATARC)  
汽车检测中心(CATARC)颁发

Leapmotor C10 awarded the title of Zero Formaldehyde Car by CATARC INFO



夏日健康领航者汽车  
零跑C16  
纯电520智驾版  
2024年7月  
证书编号: HCAR0000220240011  
“中国汽车”为: 中国汽车技术研究中心有限公司(CATARC)  
汽车检测中心(CATARC)颁发

Leapmotor C16 awarded the title of Pioneer of Summer Health by CATARC INFO

| Leapmotor Main Measures and Achievements of Healthy In-Car Space Building |

Lower formaldehyde content	The seats utilize baby-bitable organic silicon fabrics, and low-odor and two-component sound-absorbing cotton is widely used in the vehicle, with the four interior trim panels and the main and secondary instrument assembly coated with water-based adhesive, which reduces formaldehyde content from the source.
In-car odor elimination	A professional odor laboratory has been established to thoroughly verify the emissions of odors from assemblies and whole vehicles in different conditions. Meanwhile, an odor evaluation team has been set to regularly monitor the odors of vehicles off the assembly line and ensure full-process control of vehicle odors.
Healthy air quality	Equipped with the air quality management system, the vehicle always pays attention to the respiratory health of drivers and passengers. Automatically identifying air quality, it can actively defend against external polluted air from entering through adaptive adjustment of the air conditioning system and efficient filtration of CN95 filter, thus quickly purifying the cockpit air.
Sound-proof and sun-proof cockpit	We use double-layer acoustic glass to enhance vehicle quietness. Meanwhile, the panoramic sunroof glass and front windshield offer UV isolation exceeding 99.9%.

Case

**Leapmotor B10 builds an eco-friendly cockpit to infant-level standards**

Leapmotor B10 has an eco-friendly cockpit created with the “Zero-Formaldehyde” technical specification implemented in its materials, processes and testing. It ensures that even new cars can enjoy fresh air, committed to safeguarding the health of drivers and passengers. The seat is made from bamboo charcoal fiber fabric, which can absorb formaldehyde and dust, and at the same time is antibacterial and deodorant. It is certified by the highest environmental standards of OEKO-TEX® STANDARD 100, reaching infant safety levels. On this basis, Leapmotor strictly controls interior pollution sources, replacing traditional adhesives with water-based eco-friendly adhesives and ultrasonic welding, and using LASD<sup>29</sup> water-based damping materials and eco-friendly sound insulation cotton to block harmful substance penetration. In addition, Leapmotor ensures standard in-car air quality from the source by carrying out dual air purification, accelerating VOC release with high-temperature drying, and conducting hierarchical control of materials and components through the 'Golden Nose' detection system.

<sup>29</sup> LASD: Liquid Apply Sound Deadener



## 2.3 Beyond Customers’ Expectations

Being user-oriented, Leapmotor continues to optimize the user service system while pursuing responsible marketing. We build a bridge for user communication through diverse community activities, striving to provide users with a more wonderful travel experience full of anticipation and surprises.



### 2.3.1 Optimize customer services

Leapmotor continues to improve the construction of its marketing and after-sales service system, focusing on refining every detail and enhancing service highlights to provide a warmer user experience through all-round exceptional services.

#### Customer service philosophy

From the users’ perspective, Leapmotor adheres to the service philosophy of “Three Quicks and Two Savings,” which indicates quick repair, quick response, quick supply, time-saving and worrying-free. Based on technology, we research on and meet the needs of users at different stages and scenarios through targeted content operations and experience-oriented product design, aiming to provide users with reassuring and intelligent services throughout the vehicle’s lifecycle and create a warm brand value.

#### Standard services

To ensure consistent, efficient, and professional service for every customer, Leapmotor has reinforced and implemented standardized management based on the *Leapmotor Service Process Standard*. By refining service processes and optimizing key links, we have improved service quality, with detailed protocols for appointments and follow-up visits, updated procedures for reception, repair, and vehicle delivery, and improved customer engagement for better customer experiences. A multi-layered supervision network is also established to guarantee execution. Through standardized store service documents and multi-level staff training, we ensure the thorough implementation of standards. Additionally, a dual approach of unannounced inspections and online checks realizes real-time verification of service compliance.



Dealers management

Leapmotor continuously deepens its the dealer management system and optimizes the dealer review process to ensure that they strictly adhere to the Company's service standards and processes. Additionally, we further strengthen our cooperation with dealers by developing reward and penalty mechanisms such as the *Retail Operation Incentives*, These programs include online foundational knowledge learning within 7 days, including post training, sales skill training and sales management training, online management and skills-based training within 30 days, and centralized training and job certification within 60 days. We aim to improve the professional and service capabilities of the dealer teams to better cope with current market challenges.

After-sales service

Leapmotor fully facilitates the implementation of systems like the *After-sales Service Management Procedures*, the *Spare Parts Transportation Management Methods*, and the *Warranty Business Management Methods*. Leapmotor improves the process system that includes various business operations such as channel construction and management, technical support, spare parts guarantee, and user satisfaction management etc., in accordance with the IATF 16949 Automotive Quality Management System Standard. At the same time, we fully offer the “48-hour spare parts delivery, one-go repair, and standard service process execution”, thereby fulfilling our service commitment to “once-for-all user services”.

In 2024, the Company established the Post-Sales Customer Complaint Department where employees had over 10 years of automotive after-sales service work experience. As the person responsible for handling customer complaints, each service complaint manager follows our “user-oriented” core value, strives for the core goal of “how to quickly and effectively close customer complaints,” and helps formulate and upgrade a series of management policies, measures, and business improvement processes, including the *Customer Complaint Early Warning Control Tower*, the *Six-Dimensional Customer Complaint Management Indicators*, and the *Post-Sales Complaint Handling Management Process (Version 3.0)*.

The Company has established the Market Emergency Management Committee for the emergency handling of accidents and has revised the *Vehicle Major Accident Emergency Management Process*. According to the requirements, the 400 hotline, service agents and store representatives must provide feedbacks on major emergency cases within 5 minutes through online and offline channels, store representatives must arrive at the scene within 10 minutes, the accident investigation team must start investigation within 3 to 6 hours, and the executive director of the committee must report the decision-making plan to the director within 24 hours.

Furthermore, for after-sales service in Europe, we have developed an after-sales information inquiry platform in line with European laws and regulations. Covering technical information, manuals, technical consultation, and other

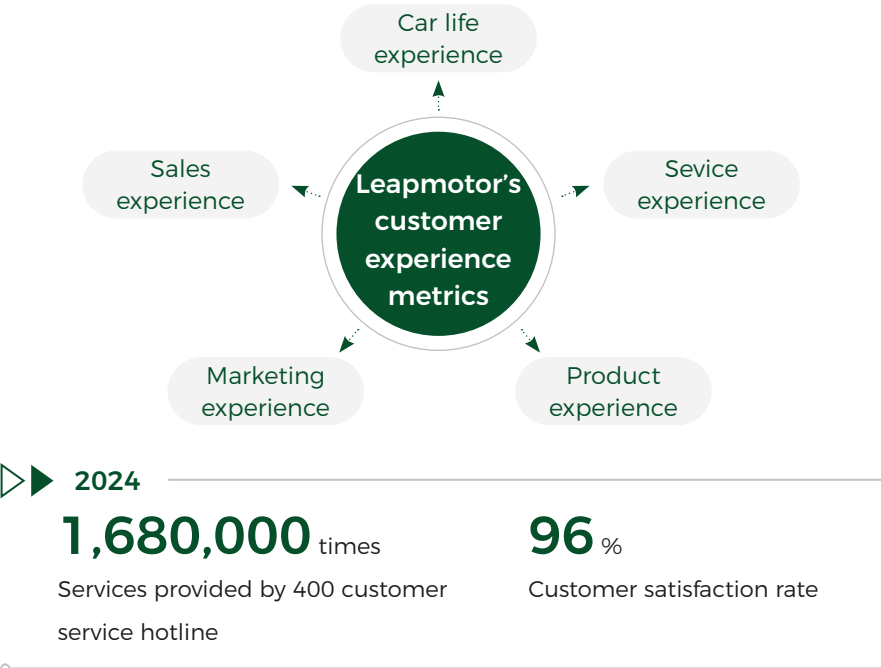
after-sales materials, the platform enables dealers and terminal customers to search for Leapmotor's after-sales information. In addition, the after-sales manual is in over 16 languages and we employ local European teams for first-level technical support to ensure smooth after-sales communication.



Customer satisfaction

In order to further optimize our products and service to deliver the best possible user experience, we have established a “1+N+X” full-touch customer experience operation system integrating NPS<sup>30</sup>, specialized metrics and real-time metrics that measure the whole lifecycle customer experience across various stages such as test drive, product delivery, after-sales service, vehicle use. By doing so, we ensure timely and accurate positioning of experience feedback on relevant core customer touchpoints.

In 2024, further clarify users' suggestions and needs, we conducted market investigations targeting individual, overseas, and government and enterprise users. Data was collected and analyzed through questionnaires and in-depth interviews to better understand their suggestions and requirements, so that we can formulate targeted solutions to enhance user satisfaction. For overseas markets, we have formulated overseas outlet building standards and customer satisfaction management guidelines to guide agents in making customer return visits, laying a foundation for improving the satisfaction of overseas customers. In 2024, Leapmotor C16 won the title of the 2024 Most Popular Model among Consumers from China Business Journal.



<sup>30</sup> NPS: Net Promoter Score

2.3.2 Responsible Marketing

While strictly following the laws and regulations such as the *Advertising Law of the People's Republic of China* and the *Anti Unfair Competition Law of the People's Republic of China*, Leapmotor collaborates with its various departments to manage the quality of marketing content, The decision-making process and mechanisms have been set for media communication plans, content, and channels to avoid false or misleading commercial propaganda, and to ensure the delivery of accurate information to users. We have established a standard training system for the sales team to ensure fair marketing throughout the entire process from sales to delivery and timely response to detected issues and doubts.





2.3.3 User community

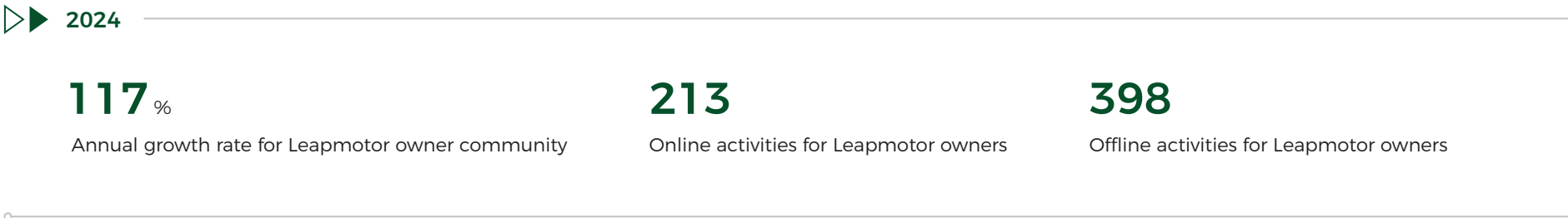
Leapmotor adheres to the concept of “travel as life.” We continuously upgrade full-lifecycle user experience through an innovative service ecosystem that integrates three key elements. We focus on optimizing the club certification and operation system and refining the management process for offline user activities, in order to ensure our high quality gathering. We are also committed to launching an exclusive online channel on the APP to fully meet diversified user needs. Furthermore, we have innovatively established the Leapmotor Pioneers Alliance dedicated to providing users with a platform of vitality, mutual learning and growth. With Leapmotor, every user is deeply engaged in pursuit for a strong sense of belonging, gaining and value recognition. We strongly believe that traveling is not just about mobility but an extension of a better life.



Leapmotor Navigator Alliance established to maximize the value of mobility and life with users



50 Car Care Lectures specifically organized to enhance user winter safety



Case Leapmotor fans activity | User community co-building: empowering travel and life

In December 2024, the first-ever “Leapmotor Meeting” was successfully held in Sanya, Hainan, pioneering a new model for user community management. The activity established a user community benchmark for the industry through the deep engagement of car owners in content co-creation. Events like the car owner market and product traceability etc. further expanded the car-life boundaries of Leapmotor fans and enhanced the interactive experience for car owners. In addition, the “Leapmotor Co-creation Gala” also enabled real-time global interaction among Leapmotor fans by showcasing our rich user culture through live online broadcasts, effectively enhancing emotional and cultural recognition within the user community. The innovative activity successfully shifted users from passive participants to value co-creators, providing new insights for future community operations.





# Green Drive for Joint Low-Carbon Actions

Guided by a green philosophy, Leapmotor seizes opportunities presented by clean technology to tackle climate challenges and deepen green manufacturing. By working closely with suppliers, employees, and users, the Company continues to explore win-win pathways for green development, contributing Leapmotor's solutions for the harmonious coexistence of people, vehicles, and nature.

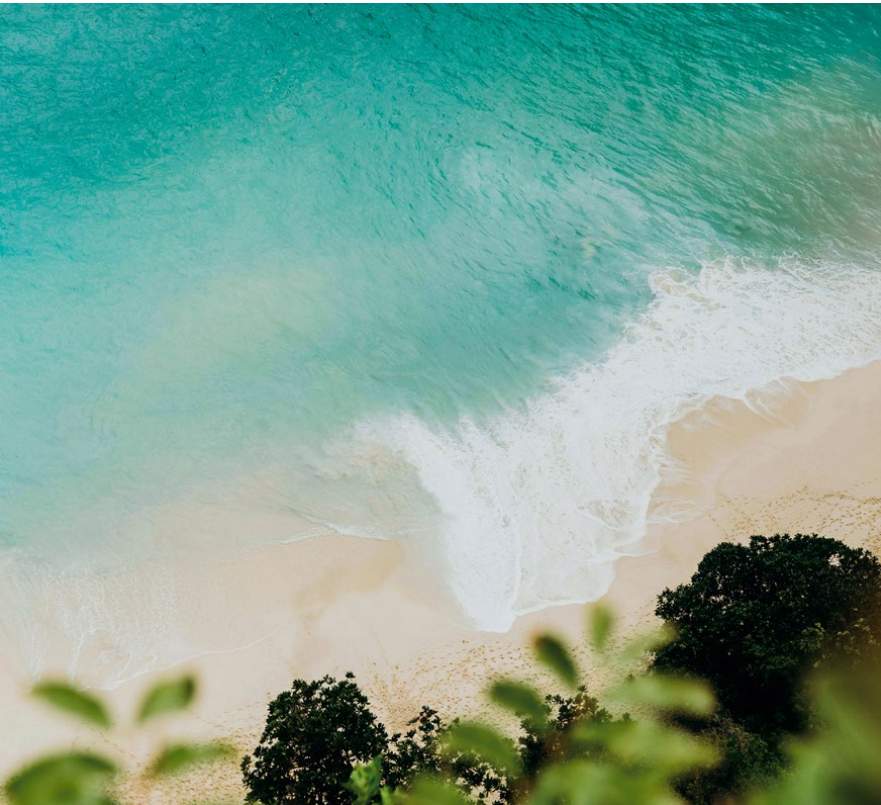
## Contribution to SDGs





## 3.1 Addressing Climate Change

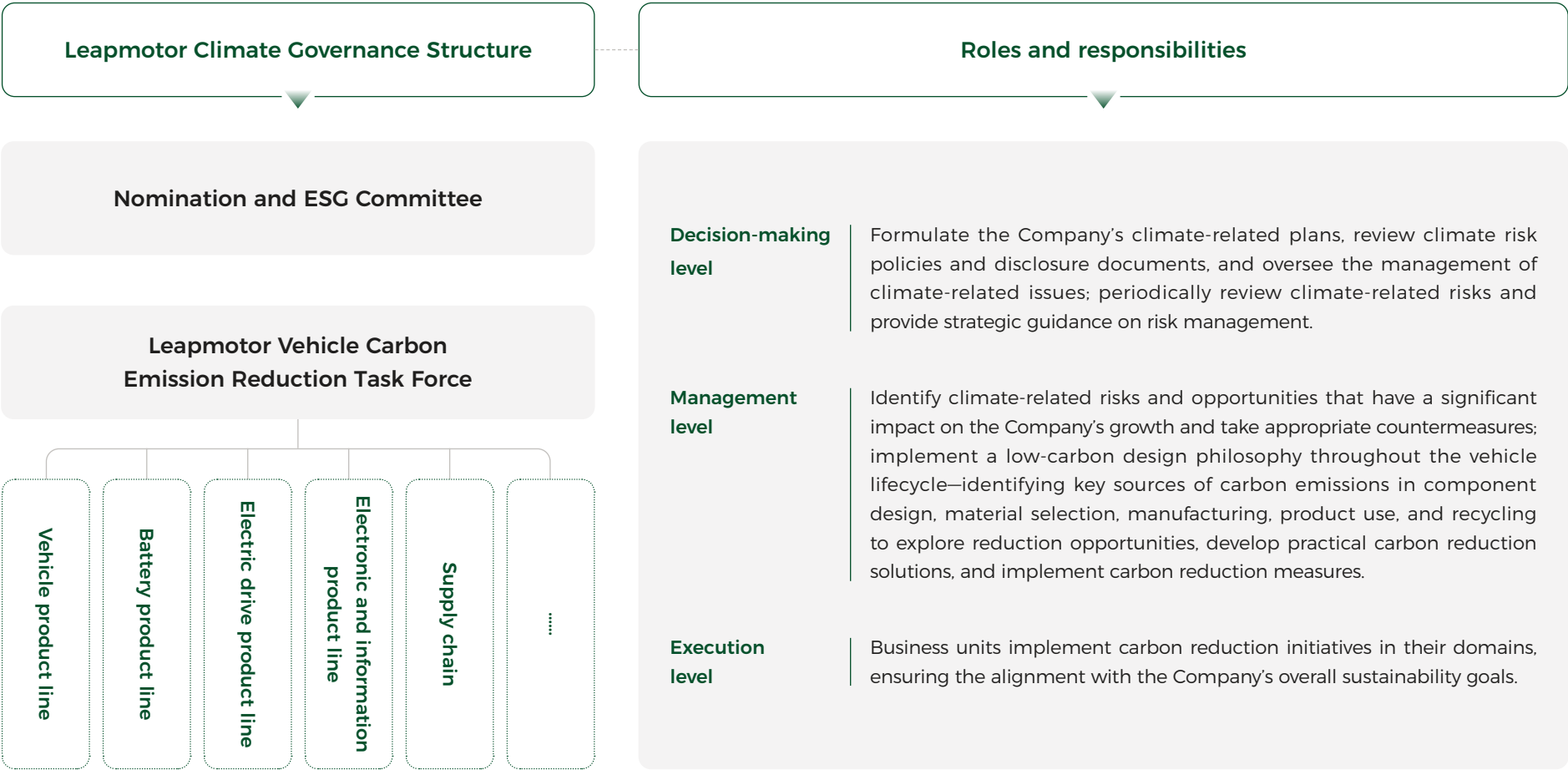
Climate change has become a global ecological challenge confronting humanity. Fully aware of its severity and urgency, Leapmotor collaborates with partners, embracing both opportunities and challenges to support China's 30-60 Decarbonization Goal. Following the *Implementation Guidance for Climate Disclosures under HKEX ESG Reporting Framework* and the Task Force on Climate-related Financial Disclosures (TCFD) framework, we continuously refine climate management practices across governance, strategy, risk management, and metrics and targets and disclose our progress.



### 3.1.1 Governance

In response to climate challenges, Leapmotor has integrated climate actions into the ESG governance framework. The Nomination and ESG Committee serves as the highest decision-making body hosting regular meetings to discuss climate issues, demonstrating our commitment to green and sustainable development.

#### | Leapmotor Climate Governance Structure |



### 3.1.2 Strategy

To better identify and assess the short-, medium-, and long-term impacts of climate factors on Leapmotor’s business, strategy, and financial planning, we closely monitor and analyze domestic and international climate regulations and policy updates. By benchmarking against global standards and industry best practices, we assess alignment based on our operational realities, enabling forward-looking projections of potential external changes. This approach helps us identify and mitigate transition and physical risks. At the same time, given our business reality, we coordinate internal departments to formulate and adjust response measures as needed, allowing us to seize new opportunities arising from the low-carbon transition. Looking ahead, we will continue the in-depth research on climate risks and opportunities while gradually advancing climate-related scenario analysis.

| Leapmotor Climate Risks and Response Measures |

Risk category	Identified risks	Risk description and current and expected impacts on the business model and value chain	Response measures
Transition risks	Policy and legal risks	<ul style="list-style-type: none"><li>• The establishment and implementation of policies such as the EU Carbon Border Adjustment Mechanism (CBAM) further impose higher compliance requirements on product exports by putting carbon taxes and fees on high-emission products and setting carbon emission allowances for companies.</li><li>• The European Union’s new Batteries Regulation introduces battery carbon footprint management, imposing additional compliance requirements for product exports.</li><li>• With the continuous updates to China’s 30 · 60 Decarbonization Goal and related policies and regulations, companies may face more explicit and stringent emission reduction requirements.</li></ul>	<ul style="list-style-type: none"><li>• We control carbon emissions throughout the product lifecycle and work with value chain partners to reduce our carbon footprint.</li><li>• We track carbon credit prices and set plans for carbon assets.</li></ul>
	Technological risks	<ul style="list-style-type: none"><li>• The transition to low-carbon and energy-saving emission technologies requires higher investments in manufacturing equipment, production processes, and technological R&amp;D, increasing financial pressure and exposing companies to potential losses from unsuccessful R&amp;D investments.</li><li>• Extreme weather conditions can degrade sensor performance, lead to false or missed detections in perception algorithms, and expose limitations in predictive decision-making in complex scenarios, posing risks to intelligent driving.</li><li>• In the short to medium term, the need for high-performance computing controllers and big data equipment designed for new technology conflicts with carbon neutrality requirements for economic transformation.</li><li>• The adoption of new technologies and processes for low-carbon production may necessitate equipment upgrades, posing risks of asset depreciation for businesses.</li></ul>	<ul style="list-style-type: none"><li>• We ramp up R&amp;D investment to drive green tech innovation and enhance incentives for innovation.</li><li>• We recruit R&amp;D talent, strengthen employee innovation capabilities, and promote industry-university-research collaboration.</li><li>• We update algorithm technology and improve intelligent driving system adaptability across diverse conditions.</li><li>• We optimize production processes and explore energy-saving and emission-reduction opportunities.</li></ul>
	Market risks	<ul style="list-style-type: none"><li>• The scarcity of resources and energy essential to new energy technologies directly impacts product and service costs/prices. A tight supply of low-carbon materials may disrupt production schedules and, in severe cases, cause supply chain shortages.</li></ul>	<ul style="list-style-type: none"><li>• Improve the ESG management mechanism for suppliers, and strengthen ESG risk management capabilities across the supply chain, to accelerate the transition to a green supply chain.</li><li>• Reduce reliance on single-source suppliers, and seek and develop alternative materials, to expand the supply of low-carbon materials.</li></ul>



Risk category	Identified risks	Risk description and current and expected impacts on the business model and value chain	Response measures
Transition risks	Reputational risks	<ul style="list-style-type: none"><li>• With increasing regulatory scrutiny and stakeholder attention on climate change, responsible companies must lead by example by supporting the transition to a low-carbon economy and avoiding ecological damage. Failure to do so may hurt our brand reputation.</li><li>• If suppliers and other partners fail to effectively manage greenhouse gas emissions and other environmental impacts, corresponding negative incidents may hurt the Company's reputation.</li></ul>	<ul style="list-style-type: none"><li>• We partner with non-profit organizations to implement environmental campaigns.</li><li>• We develop a green supplier rating system and prioritize low-carbon partners.</li><li>• We integrate greenhouse gas emission requirements into supplier access and risk assessment criteria.</li></ul>
Physical risks	Acute risks	<ul style="list-style-type: none"><li>• The increasing frequency and severity of extreme weather events, such as typhoons and heavy rainfall, pose heightened risks to manufacturing sites and offices in flood-prone regions. These risks include flooding, partial power outages, and damage to facilities and equipment, leading to personnel and asset losses.</li></ul>	<ul style="list-style-type: none"><li>• We develop a disaster response system, with a focus on meteorological hazards and extreme temperature protection, while improving emergency response mechanisms.</li></ul>
	Chronic risks	<ul style="list-style-type: none"><li>• As the average global temperatures rise, businesses must increasingly rely on electricity and natural gas to operate cooling and heating systems, ensuring a comfortable workplace and safeguarding employee health. This results in higher operational costs.</li></ul>	<ul style="list-style-type: none"><li>• We implement employee health and protection plans.</li></ul>

| Leapmotor Major climate opportunities and countermeasures |

Opportunity category	Opportunity description	Countermeasures
Energy source	Stable supply and equilibrium price of renewable energy lead to decreased operating costs and increased opportunities for clean technology development.	<ul style="list-style-type: none"><li>• Building distributed photovoltaic power systems and optimizing energy mix.</li><li>• Improving product lifecycle carbon management capabilities, reasonably controlling energy consumption, and strengthening carbon assets.</li></ul>
Resource efficiency	Improving resource efficiency can reduce waste of raw materials and energy, lower production costs and carbon emissions, and boost profitability.	<ul style="list-style-type: none"><li>• Studying and increasing the use of recycled materials, and supplying a wider range of more low-carbon and recycled raw materials.</li><li>• Embracing the life cycle concept, focusing on extended producer responsibility (EPR), and establishing a robust recycling system.</li></ul>
Products and services	Policy support and encouragement for new energy vehicles (NEVs) and low-carbon technology, as well as the continuous increase in consumer demand for NEVs, will raise our market share.	<ul style="list-style-type: none"><li>• Continuously promoting technology innovation in NEVs to create low-carbon products.</li><li>• Meeting international green standards, which makes it easier for China's automotive products to enter the international market, enhance brand influence and international competitiveness , and increase market share.</li></ul>

### 3.1.3 Risk Management

Leapmotor recognizes the critical impact of climate change on our operational risks and has integrated climate risk management into the Company’s risk management framework. Under the “three lines of defense” risk management structure and ESG governance framework, different departments assume distinct responsibilities in managing climate risks and opportunities.



### 3.1.4 Metrics and Targets

In response to China’s 30·60 Decarbonization Goal, Leapmotor adheres to the core strategy of new energy vehicles, and integrates the sustainability philosophy into the full-life cycle of vehicle products, providing customers with sustainable products and services. We conduct annual carbon inventories and product carbon footprint management to track the situation of greenhouse gas emissions, define emission reduction areas, and set achievable targets. Step by step, we formulate targeted emission reduction targets and action plans. According to data from China’s automobile industry chain carbon publicity platform, 86.2% of Leapmotor’s models have a carbon footprint below the industry average, while 82.8% have attained Level 1 certification.<sup>31</sup> Leapmotor has been awarded a “Four-Star” rating in the first automotive carbon management system evaluations. For more details on product lifecycle carbon footprint management, energy management, and other key climate-related metrics and targets, refer to Section 3.1.5 Product lifecycle carbon emission management.

Metric	Unit	2024
Scope 1 GHG emissions	tCO <sub>2</sub> e	16,467
Scope 2 GHG emissions	tCO <sub>2</sub> e	70,918
Total GHG emissions	tCO <sub>2</sub> e	87,385
GHG emission density	tCO <sub>2</sub> e/RMB 10,000 revenue	0.03

<sup>31</sup> Data source: 2024 Annual Report of China’s Automobile Industry Chain Carbon Publicity Platform



### 3.1.5 Product Lifecycle Carbon Emission Management

Leapmotor identifies key factors influencing carbon emissions throughout the vehicle lifecycle—product design, material selection, manufacturing, logistics, usage, and end-of-life recycling. These factors help us take a scientific approach to planning emission reduction pathways so that we can embed the low-carbon concept into the product lifecycle and continue to explore carbon reduction measures, contributing to the industry’s green transition.

The Company participates in the system construction of the automotive industry management standards. We have formulated industry standards and evaluation guidelines such as the *Low-Carbon Supplier Rating Guidelines for the Automotive Industry*, the *Evaluation Method for Carbon Footprint Grades of Road Vehicles - Passenger Cars*, and the *Product Category Rules for Carbon Footprint of Road Vehicles - Passenger Cars*, establishing a scientific assessment system for supplier low-carbon performance and calculation standards for carbon footprint of passenger cars. Based on unified evaluation methods and declarations, we promote the establishment of a traceable carbon footprint management system in the automotive industry, providing standardized tools for companies to achieve transparency in full-life cycle carbon emissions, and supporting green supply chain management and low-carbon transformation of products.



#### Green design

While ensuring product performance, Leapmotor designs lightweight products to reduce fuel or electricity consumption. We also adhere to the principles of green design across the lifecycle, easy disassembly, and recyclability, embedding green, low-carbon and sustainable concepts into our development system. In 2024, we established a digital platform for carbon emissions data collection and accounting, and gradually refined our development process for whole-vehicle low-carbon features to enhance the environmental attributes of our products.

▶▶ Honors

Leapmotor B10 won the Green Design Award in the 2024 International CMF Design Awards.

Leapmotor C10 was awarded the Green Design Nomination of the 2024 Fabulous Automotive Design Award

#### | Leapmotor Main measures and achievements in the green design of vehicles, electric drives, and batteries |

Vehicles	Electric Drives	Batteries
<div>Lightweight products</div> <ul style="list-style-type: none"><li>• We have integrated a 1.5L high-efficiency range extender and combined the generator and controller within a single housing to reduce vehicle weight and improve power generation efficiency.</li><li>• Leapmotor B10 features integrated solutions such as the 7-in-1 electric drive and cell-to-chassis (CTC) technology, which allow for a weight reduction of more than 60 kg and achieve an industry-leading lightweight coefficient of 1.73.</li></ul> <div>Product energy management</div> <ul style="list-style-type: none"><li>• We have adopted Atkinson cycle technology and low-friction technology to enhance the overall oil-to-electric conversion efficiency of the range extender system</li><li>• The Leapmotor C10 has reduced fuel consumption and carbon emissions by over 5% compared to the previous model under the WLTC.<sup>32</sup></li></ul>	<div>Lightweight products</div> <ul style="list-style-type: none"><li>• We have optimized structural design by integrating the oil circuit into the housing, eliminating the need for components such as the oil ring.</li><li>• We have replaced aluminum alloys with new materials, such as magnesium alloys, in electric drive applications, reducing the weight of electric drive housings by approximately 20%.</li><li>• We have revolutionized assembly techniques by welding the gear and the differential together, reducing both weight and cost.</li><li>• We have achieved &gt;89% efficiency under the China light-duty vehicle test cycle (CLTC) with higher energy conversion efficiency and delivered a highly lightweight 68kg electric drive unit, significantly extending the driving range.</li></ul>	<div>Lightweight products</div> <ul style="list-style-type: none"><li>• The aluminum hot-forming solution utilizes an innovative aluminum stamping and forming process, enabling the vehicle to meet five-star side-pole crash standards while reducing weight by 8% compared to traditional steel materials.</li><li>• The latest module-free integration design reduces the number of components by 45% and lowers weight by 5% compared to conventional module-based solutions.</li><li>• The bash plate is made of ultra-high-strength steel and microporous foaming polymers, which can withstand extreme conditions, such as scrape damage to the underbody, and cut weight by 16%.</li><li>• The battery is equipped with aerospace-grade fire-resistant insulation, providing thermal propagation control for up to 720 minutes and reducing weight by 25%.</li></ul>

<sup>32</sup> WLTC: World Light Vehicle Test Cycle

Green materials

Following a green, low-carbon design approach, Leapmotor prioritizes the use of low-carbon, recyclable, and clean materials. The Company has set targets for the use of recyclable materials and scaled their application in new models. We effectively popularize eco-friendly coatings and other low-carbon materials and processes by promoting functional body colors. A carbon footprint monitoring system has been developed to regularly assess the carbon impact of design and material selection, ensuring our decisions align with low-carbon targets. We also continuously refine design strategies based on inspection results, increase investment in low-carbon technology R&D, and explore the application of new green materials and renewable energy. For more information on recycled materials, please refer to [3.2.4 Resource Recycling and Reuse](#).

Green procurement

Leapmotor is committed to building a low-carbon, green, and efficient supply chain. We regard low-carbon capability as a key assessment criterion in supplier admission. This includes assessing suppliers' low-carbon organizational structures, the expertise of their low-carbon management teams, and their ability to develop low-carbon solutions. Through these dimensions, we comprehensively evaluate their low-carbon performance.

The Company has established a low-carbon database. We identify key vehicle components and materials, assess the carbon emissions management capabilities of core suppliers, and collect emissions data for critical components. Those collected information is integrated into the database for tiered management. We collaborate with leading raw material companies specializing in low-carbon technologies and incorporate recycled steel, aluminum, and plastics into the Leapmotor materials database to build a reserve of low-carbon technologies and materials. This database supports the selection of low-carbon materials for Leapmotor models. Additionally, we implement tiered recognition and management of recycled materials based on their recycling ratio, gradually increasing the percentage of recycled steel, aluminum, and plastics.

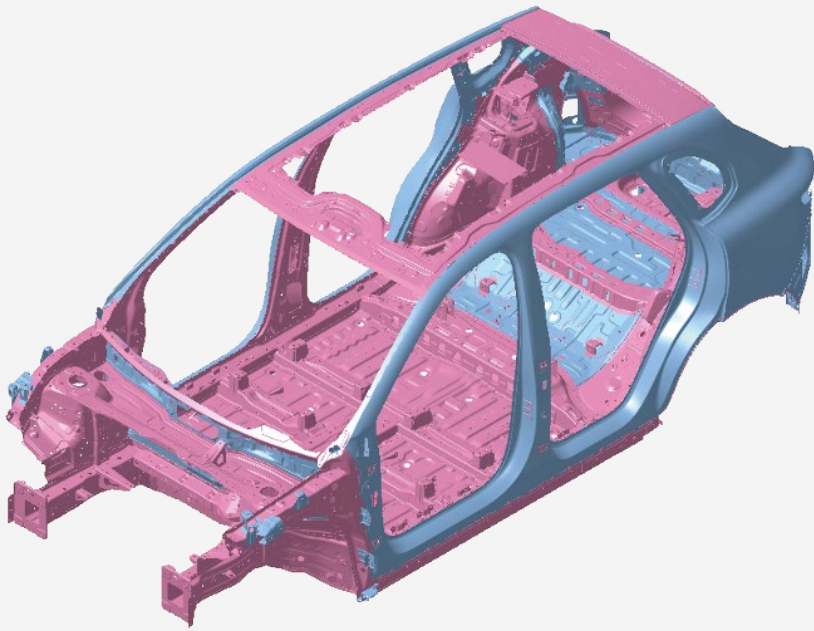
The Company places a high premium on the environmental and human rights risks concerning high-risk critical raw materials, including conflict minerals. Our strict control over the source of minerals in the supply chain ensures that the tin, tantalum, tungsten, gold, and other raw materials used by Leapmotor and our supply chain do not come from illegal mining in conflict areas.

In 2024, the Company identified 88 categories of critical components and set low-carbon procurement targets for key raw materials to accelerate the green transition of the supply chain. Regarding exterior components such as vent grilles, air guiders, rearview mirrors, wheel fender flares, and side skirts, we require suppliers to utilize recycled materials with varying recycling ratios. These requirements are clarified in SOR<sup>33</sup> and technical exchanges with suppliers. Additionally, suppliers are required to provide relevant declarations and carbon emissions data for verification, ensuring the environmental performance of materials while enhancing supply chain transparency and sustainability.

The Company continues to collaborate with leading raw material companies specializing in low-carbon technologies to develop and reserve recyclable and low-carbon materials for new models. In 2024, our partnerships expanded to 15 companies. For suppliers that do not meet our sustainability assessment criteria, we empower them through professional training, regular business guidance meetings, and the sharing of best practices.



Leapmotor C10's seats are made from bio-based soy foam



High-strength steel accounts for 79% of the Leapmotor B10 model, outperforming other similar products in the market

<sup>33</sup> SOR: Statement of Requirements



Green manufacturing

Leapmotor is committed to building a smart, green, lean, and flexible modern automotive factory, driving energy transition and efficiency upgrades, and increasing the share of clean energy in business operations. The Company has fully adopted renewable energy sources such as solar power and geothermal heat pumps in the industrial park with a “self-generation for consumption, surplus fed to the grid” clean energy model to optimize energy structure, reduce carbon emissions, and slash carbon footprint. As at the end of 2024, Leapmotor’s Jinhua manufacturing base has put into operation a 28.1MW distributed photovoltaic power generation system, generating 25.957 million kWh of electricity in 2024, equivalent to reducing carbon dioxide emissions by about 14,000 tons<sup>34</sup>. In 2024, the Company launched a photovoltaic capacity expansion project, adding 15.4MW of rooftop PV capacity. Once operational, this addition is projected to generate an extra 15.47 million kWh annually, with an estimated annual output of 43.7 million kWh. This will further enhance our green manufacturing competitive edge.

We have implemented a plant-wide energy management and monitoring network, enabling centralized control and management of utility systems, energy consumption monitoring, and energy consumption evaluations. This system ensures better energy allocation and management, creating a closed-loop system from clean energy supply to lean energy management. At Leapmotor Manufacturing Base, the injection molding workshop leverages a high degree of automation and advanced manufacturing processes to achieve “lights-out” injection molding, significantly reducing energy consumption.

▶ 2024

Won China Energy Conservation Association Innovation Award and Energy Conservation and Emission Reduction Sci-tech Progress Award (Carbon Neutrality Category)





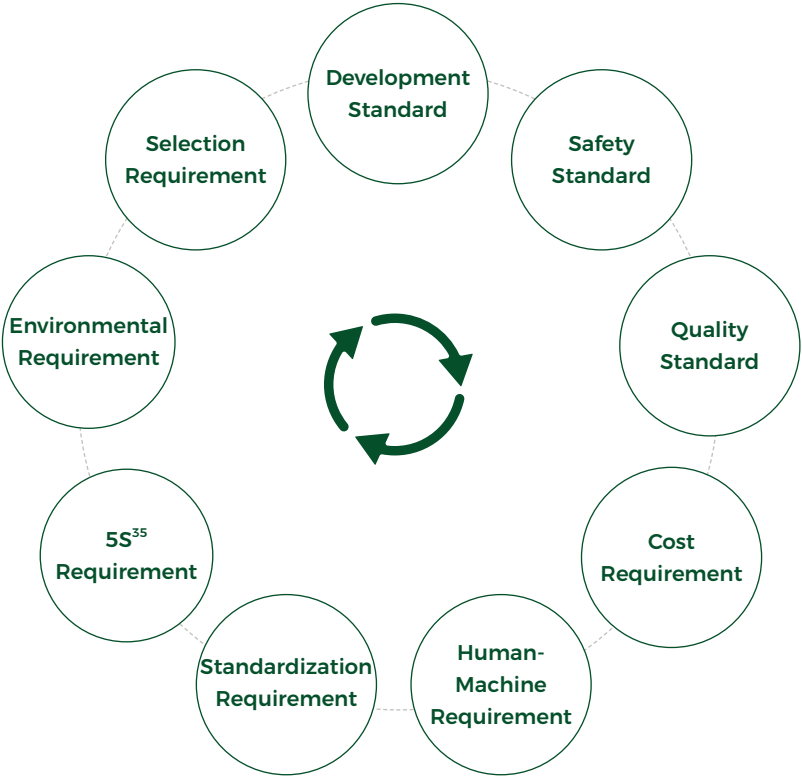
Leapmotor plant's roof solar power equipment

<sup>34</sup> Calculated in accordance with official standards including the *Announcement on the Release of 2022 CO<sub>2</sub> Emission Factors of Electricity Generation* issued by the National Bureau of Statistics and the Ministry of Ecology and Environment



Green packaging

Leapmotor implements the sustainable packaging philosophy of reduction and recycling. We replace paper packaging with recyclable material boxes, effectively reducing the investment in disposable cartons and wooden boxes. We promote recyclable packaging to mitigate the environmental impact of packaging materials. By establishing universal packaging standards and clarifying specifications for pallet sizes, turnover bins and other products, we ensure that packaging can accommodate a variety of components, greatly improving loading efficiency and reducing logistics costs. We adhere to sustainable principles of reduction and recycling and implement regulations such as the *General Packaging Technical Standards*, which define packaging types and material specifications across nine categories.



The Company encourages the adoption of reusable packaging among suppliers with standardized reusable packaging solutions, including standard metal boxes, plastic containers, and plastic pallets. A packaging recycling system

has been established to enable “production-use-recovery-reuse,” replacing disposable packaging and liners with recyclable packaging and partitioned liners, which lowers material consumption.

In 2024, through continuous progress of packaging optimization projects, we improved 82 suppliers’ packaging, completed the improvement of recyclable packaging of 427 types of components, and increased the overall usage of recyclable packaging to 87%. Among them, the coverage of recyclable packaging for large components reached 98%, which enhanced environmentally friendly packaging and effectively lowered operational costs.

Green logistics

Leapmotor optimizes transportation routes and replaces diesel trucks with electric ones to cut emissions at the source and advance green logistics. To build “zero-emission” logistics fleets, we actively collaborate with carriers to invest in new energy heavy-duty trucks and continue to increase the delivery of pure electric vehicles. It is expected that by 2025, the proportion of our pure electric vehicles will reach 20%, with an annual reduction of 71 tons in carbon emissions.



Leapmotor actively collaborates with carriers to invest in new energy heavy-duty trucks



<sup>35</sup> 5S: SEIRISEITON, SEISO, SEIKETSU, SHITSUKE. It's aim to ensure safety, improve efficiency, reduce costs, ensure quality, make the working environment clean and orderly, and make prevention the main cause of poor quality and failures



## 3.2 Sustainable use of energy and resources

Leapmotor has consistently adhered to green and sustainable development throughout the Company’s development. We fully consider the dependence and impact of our development on natural ecosystems. We actively undertake our responsibilities for the environment and concentrate on implementing key measures such as optimizing energy and resource utilization, improving waste management, and strengthening biodiversity conservation, so as to jointly advance a path towards green and sustainable development.

### 3.2.1 Environmental Management System

Leapmotor strictly complies with the *Convention on Biological Diversity*, and laws and regulations, including the *Environmental Protection Law of the People’s Republic of China*, the *Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution*, and the *Law of the People’s Republic of China on the Prevention and Control of Water Pollution*. Leapmotor is certified to ISO 14001 Environmental Management System. We has established the *Environmental Protection Management System*, the *Air Pollution Control Management System*, the *Water Pollution Control Management System* and other related regulations. We performed environmental risk assessments in all the operating sites and identified and managed key environmental factors and pollution sources. We keep refining our environmental management system to ensure compliance with legal and stakeholder requirements. The Company also adopts feasible preventive measures to control environmental risks in production sites, achieving safety and environmental targets and better management performance. In 2024, the Company was not subjected to any administrative penalties related to environmental or ecological issues. Instead, we were awarded the titles of Zhejiang Provincial Green and Low-Carbon Factory.

### Environmental emergency management

Leapmotor has established an environmental task force and an emergency response management unit and formulated documents such as the *Emergency Response Plan for Environmental Incidents*, the *Environmental Risk Assessment Report*, and the *Environmental Emergency Resource Survey Report*. The Company conducts comprehensive identification of environmental risks, updates environmental factor inventories, and determines critical environmental factors and corresponding control measures. Self-monitoring and environmental risk source inspections are conducted following emission permit requirements.

The Company regularly engages qualified third-party testing agencies to conduct routine environmental assessments covering key indicators such as air emissions, wastewater treatment, soil quality, and noise control. Additionally, we have strengthened our environmental emergency response system by ensuring sufficient emergency rescue supplies and conducting regular training and drills to enhance employee preparedness. In 2024, the Company conducted various environmental training on green low-carbon production management, environmental protection and safety, and energy conservation, with 100% of employees engaged in EHS training.



### 3.2.2 Energy and Resource Management

Leapmotor has been committed to building itself an eco-friendly enterprise by further implementing a resource recycling management philosophy and consistently improving resource utilization efficiency. We contribute to ecological protection and sustainable resource use while pursuing our corporate development, leading a new trend of green development in the industry.



#### Energy management

In strict compliance with the *Energy Conservation Law* as well as other laws and regulations, we advance the building of an energy management system, with the *Energy Management System* and other related policies revised. We optimize energy management at all levels and specify energy use standards. Our energy management system enables real-time energy consumption monitoring through hierarchical and time-segmented models, allowing for early detection and alerts on energy supply problems. This ensures swift responses and better energy efficiency. We have obtained the ISO 50001 energy management systems certification.

The Company has established a three-tier energy management network of factories, workshops, and teams, along with an effective incentive mechanism. Additionally, we provide specialized training on energy knowledge and lifecycle carbon footprint assessments for personnel in energy-using departments.

We also highlight national policy requirements, key energy use points in workshops, daily energy control measures, and employee energy-saving behaviors to enhance staff's carbon reduction knowledge, skills, and awareness. We have accumulated 120 hours of training per person.

The Company's regular energy audits help us supervise energy consumption and improve energy and resource efficiency. Through dedicated energy conservation meetings, we continue to identify energy areas requiring improvements and tap into technological innovation and management improvements for greater energy efficiency. In 2024, Leapmotor advanced 66 energy cost-reduction projects.

#### | Leapmotor Statistics of Energy Use |

Indicator	Unit	2024
Direct Energy Use		
Natural Gas	m <sup>3</sup>	7,615,715
Total renewable energy consumption	MWh	25,957.03
Direct Energy Use Density	MWh / 10,000 RMB Revenue	0.03
Indirect Energy Use		
Purchased Electricity	MWh	132,160.23
Indirect Energy Use Density	MWh / 10,000 RMB Revenue	0.04
Total Energy Consumption	MWh	232,159.26





Zero air-loss regenerative heated compressor dryers are selected as compressor after-treatment equipment, which allows for dryer regeneration based on recovered waste heat, with 5%-8% energy savings



New types of thermal insulation materials are selected for park building and paired with energy-saving glass to reduce lighting energy consumption and block heat transfer, significantly lowering building energy consumption

| Leapmotor Part of Energy Conservation and Efficiency Enhancement Projects and Key Measures |

Energy-Saving Technological Transformation Project	Key Measure and Achievement
Energy-Saving Control of Coating RTO <sup>36</sup> Equipment	● Based on analyses of concentration and emission standards at their total discharge outlet, each base assesses the possibility of decreasing gas consumption by reducing the combustion temperature, which allows for a minimum of 75,000 m <sup>3</sup> natural gas savings.
Electrification Retrofit of Chilled Water Supply System in General Assembly Area	● We install electric actuator valves, industrial wireless communication modules, temperature sensors, and shielded twisted-pair cables. We integrate the collected data into the existing PLC <sup>37</sup> chiller control system based on the real-time monitoring of temperatures in different areas of the general assembly workshop, with actual savings of 250 MWh of electricity.
Transformation of Centrifugal Air Compressor Dryers	● We procure zero-air-loss blower heated desiccant dryers to replace the existing micro-heat dryers, with actual savings of 10% air loss, 600 MWh of electricity.
Transformation and Upgrading of C11 Transplanters	● Our transplanter forks are upgraded with newly procured load-enhanced components. We optimize the base frame structure, ensuring stable operation and precise positioning for the skid pickup and zero lateral error in placement. The vehicle body can achieve accurate pin dropping and reducing downtime and energy loss, with an annual reduction of 45 MWh electricity consumed.

<sup>36</sup> RTO: Regenerative Thermal Oxidizer

<sup>37</sup> PLC: Programmable Logic Controller

Water resource management

Strictly adhering to relevant Chinese laws and regulations, such as the *Water Law*, Leapmotor prioritizes water management, which is integrated into our energy management framework to regulate water consumption and develop water conservation plans. During manufacturing, we improve water measurement accuracy through circulating water systems to increase water utilization rates effectively. We strengthen the daily maintenance and management of industrial and domestic water equipment, conduct timely oversight and analysis of water usage, and promote a “scan-to-report” maintenance rapid response mechanism to encourage employees’ full participation in water-saving management and ensure the closed-loop management of “discovering-reporting-handling-verification” towards leakage and spillage. In 2024, Leapmotor reduced water consumption per vehicle by 35%, significantly improving water resource efficiency.

The Company regularly conducts water balance tests to evaluate consumption efficiency, identify waste points, and drive technological improvements for water conservation. As a result, the Company was recognized as a “Water-Saving Enterprise of Zhejiang Province” in 2021. In 2024, Leapmotor did not record any negative incidents related to improper water consumption in production and operations.

The Company highly values the ecological protection of water sources and strictly manage the impact of our production activities on these areas. We regularly post water-saving slogans at energy consumption sites and place water-saving posters in office areas, restrooms, and other locations to remind employees of the importance of water conservation. We also organize regular water conservation education and training sessions by inviting professional lecturers or experts to enhance employees’ awareness and capabilities in water resource management. We popularize water-saving knowledge and share related case studies and experience through team meetings and other means to encourage employees to initiate small and simple actions, gradually cultivating good water-saving habits.

| Leapmotor Statistics of Water Consumption |

Indicator	Unit	2024
Total Water Consumption	ton	703,635
Water Consumption Density	ton/10,000 RMB Revenue	0.22

### 3.2.3 Pollutant Management

Leapmotor strictly observes the *Environmental Protection Law of the People’s Republic of China*, the *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and relevant laws and regulations. We have improved and implemented systems such as the *Solid Waste Management System*, the *Environmental Three Wastes Discharge Management System* and the *Hazardous Chemicals Safety Management System*. Accordingly, we have developed pollution governance plans and emergency response plans to reduce waste at the source and effectively manage pollutants such as exhaust gas, wastewater, and noise generated during production, which ensures our compliance with national and local standards. In 2024, Leapmotor achieved a 100% compliance rate in discharge of three wastes, namely waste gas, wastewater and solid waste. In 2024, Leapmotor achieved 100% compliance on the discharge of the three types of waste, with no environmental pollution incidents or any administrative penalties related to environmental issues.

#### Waste Management

Prioritizing waste management, Leapmotor has established policies such as the *Solid Waste Management System*, the *Environmental Three Wastes Discharge Management System*, and the *Hazardous Chemicals Safety Management System*. We prefer waste reduction at the source through process optimization and enforce waste classification, storage, proper disposal, and recycling. This structured approach guarantees full lifecycle waste management, minimizing the impact of our manufacturing on natural ecosystems.

Hazardous waste

The Company strictly adheres to national standards such as *GB/T 30512 Requirements for Prohibited Substances on Automobiles* and *GB/T 19515 Road Vehicles—Recyclability and Recoverability Rate —Requirement and Calculation Method*, as well as EU Directive 2000/53/EU on end-of-life vehicles (ELV) and 2005/64/EC RRR Directive. We manage hazardous substances, recyclability, and recoverability for M1 passenger vehicles. We have established and rigorously implemented a system for comprehensive from-scratch ELV<sup>38</sup> development and recyclability management. For overseas markets, we have built a from-scratch design and development system for recovered vehicles that aligns with EU directives and guided RRR system certification and product RRR&R133 certification. We ensure that our products meet the requirements of the RoHS Directive, regulations on asbestos, polycyclic aromatic hydrocarbons

<sup>38</sup> ELV: End-of-Life Vehicle

<sup>39</sup> REACH: Registration, Evaluation, Authorization and Restriction of Chemicals

Non-hazardous waste (PAHs), and REACH<sup>39</sup>, POPs<sup>40</sup>, BPR<sup>41</sup> battery regulations, and other country-specific substance restrictions.

In the process of production and operation, the company implements the whole process control of hazardous waste from collection, classification, centralized storage to effective disposal through the “Solid Waste” system of the environmental protection department to ensure that all hazardous waste is disposed of in 100% of the categories. At the same time, the company carries out strict internal testing and regularly commissions qualified professional third-party organizations to carry out harmless treatment of hazardous waste.

Case

**Reducing consumption at the source and optimizing management measures for solid waste and residual sealant**

By optimizing sealant applicators, Leapmotor has improved sealant utilization rate and reduced the amount used per vehicle lamp, thus lowering hazardous waste, including residual sealant and discarded packaging barrels. In 2024, hazardous waste reduction measures such as waste glue recycling significantly reduced the hazardous waste quota per vehicle. The quota was optimized to 6.27 kg and 6.42 kg, representing significant year-on-year reductions.

The Company follows the *Regulations on the Safety Management of Hazardous Chemicals* and the *Catalogue of Hazardous Chemicals (2022 revised edition)*. Based on the physical hazards, health risks, and environmental impact of chemicals, we have updated our list of hazardous chemicals, with requirements such as prominently displaying safety labels and providing material safety data sheets (MSDS). We put in place explosion-proof cabinets suitable for chemical storage, assign personnel for the safety management of hazardous waste warehouses, and implement harmless disposal for packaging materials. Additionally, we offer special hazardous waste training covering classification, labeling, storage conditions, safe handling, and disposal procedures, as well as chemical safety inspections, remediation and emergency response drills. This standardized approach enhances our ability to manage risks throughout the entire process. For chemicals such as carbon tetrachloride and cleaning agents used in electronic production processes, we have installed compliant chemical explosion-proof cabinets with effective grounding for on-site chemical storage. Our relevant employees are required to use these chemicals after taking appropriate protective measures. The exterior packaging of chemicals is disposed of as hazardous waste through harmless treatment.

<sup>40</sup> POPs: Regulation (EU) 2019/1021 on Persistent Organic Pollutants

<sup>41</sup> BPR: Biocidal Products Regulation (EU) No 528/2012

Non-hazardous waste

We classify non-hazardous waste in accordance with the requirements of environmental protection departments and entrust a third party for unified processing. We work with qualified reusing enterprises to recycle and reprocess various types of wastes generated in the park, such as industrial slags, trimmings, and packaging waste, and transform them into reusable raw materials or products, achieving “zero landfill” of waste and efficient reuse of resources.

Leapmotor Statistics of Waste Emission |

Indicator	Unit	2024
Hazardous Waste		
Total Amount of Hazardous Waste	ton	2,353
Discharge Density of Hazardous Waste	ton/10,000 RMB Revenue	0.0007
Total Amount of Hazardous Waste Recycled	ton	11.71
Non-Hazardous Waste		
Total Amount of Non-Hazardous Waste	ton	37,370.89
Discharge Density of Non-Hazardous Waste	ton /10,000 RMB Revenue	0.01





Wastewater management

Following the *Water Pollution Prevention and Control Law of the People’s Republic of China*, Leapmotor prioritizes water conservation and protection. We have formulated the *Water Pollution Control Management System* to ensure that all types of production wastewater are properly treated. Plants are equipped with dedicated wastewater treatment stations, which utilize physiochemical and biochemical treatment processes. We strictly enforce internal and terminal discharge standards to ensure that wastewater from production, maintenance, and daily operations meets national laws, regulations, and standards. Additionally, we have deployed a comprehensive and advanced online wastewater monitoring system, maintained by external specialists regularly to enable real-time monitoring of wastewater discharge data and early warning for effective control and management.

We have developed a water recycling system, where the reclaimed water after treatment is reused for the production process to boost water utilization efficiency and reduce the consumption of fresh water resources. Meanwhile, to comprehensively upgrade water-consuming equipment, we have introduced water-efficient facilities, and innovated on technological transformations of water-using processes for higher water-use efficiency.

| Leapmotor Statistics of Wastewater Discharge |

Indicator	Unit	2024
Ammonia Nitrogen	ton	1.50
Total Phosphorus	ton	0.07
COD	ton	15.06
Total Wastewater Discharge	ton	363,971
Wastewater Discharge Density	ton /10,000 RMB Revenue	0.11

Waste gas and noise management

Leapmotor maintains strict control over exhaust emissions generated during manufacturing, including key pollutants such as Chemical Oxygen Demand (COD), ammonia nitrogen, total phosphorus, volatile organic compounds (VOCs) and particulate matter. We implement targeted treatment measures to ensure compliance with emission standards and avoid negative atmospheric impacts. A unified collection and activated carbon adsorption treatment method is used for sealant application exhaust, while cartridge dust collectors are employed for the treatment of welding fumes. In the battery manufacturing process, a unified VOC exhaust gas collection system is implemented for endplate adhesive application, box adhesive application, and potting processes, followed by end-of-pipe activated carbon adsorption treatment. In accordance with our self-monitoring plan, we also entrust a qualified third party to carry out on-site manual monitoring of pollutant factors at monthly, quarterly, semi-annual, and annual intervals. In 2024, Leapmotor was rated as a Grade B enterprise in Zhejiang Province’s key industry air pollution prevention and control evaluation.

| Leapmotor Comprehensive air emission management measures |

Clean production

- Pre-treatment of membranes uses a phosphorus-free process without zinc, nickel, or manganese, resulting in minimal residue and eco-friendliness.
- We apply B1B2 spraying processes, low-VOC water-based paints, and two-component high-solid-content clear coats and implement stringent source control to further reduce energy consumption and paint consumption.

Energy efficiency and consumption reduction

- The paint booth realizes a 63% recirculation rate, reducing energy consumption by about 51%.

Pollution control

- We employ sealed collection systems during production and handle VOC-containing liquid materials in a sealed environment.
- For air emissions treatment facilities, we utilize rotary concentrators and RTO\* systems, removing over 95% of VOC for compliant emissions with green, efficient, and intelligent environmental standards.

According to national noise emission standards, we have formulated the *Noise Pollution Prevention and Control Management System* to manage noise emissions. Quarterly self-monitoring of noise levels ensures compliance with plant noise standards. We adopt full enclosure to insulate stamping lines and apply wet brakes and sound-absorbing materials to reduce noise at the source. Air compressors are lined with sound-absorbing materials, with silencers installed at intake points and damping sound-absorbing materials applied to air storage tanks. By adopting advanced noise absorption, isolation, and vibration reduction technologies, we effectively control and reduce noise. Additionally, we regularly maintain and monitor noise control equipment to ensure proper operation, creating a quiet and comfortable workplace for employees while minimizing noise impact on surrounding communities.

The Company conducts regular occupational health training to educate employees on the health hazards of noise exposure in the workplace, including proper use of protective equipment and emergency response protocols. We teach employees to wear personal protective equipment (PPE) correctly, regularly organize occupational health examinations, and maintain occupational health records to safeguard employees’ health and life quality.

| Leapmotor Statistics of Waste Gas Emissions |

Indicator	Unit	2024
Sulfur Oxide (SO <sub>x</sub> )	ton	2.37
Nitrogen Oxide (NO <sub>x</sub> )	ton	10.04
VOC	ton	5.64
Particulate Matter	ton	15.27
Total Waste Gas Emissions	ton	33.32
Waste Gas Emissions Density	ton /10,000 RMB Revenue	0.0000104

### 3.2.4 Resource Recycling and Reuse

Integrating the circular economy concept into corporate strategies, Leapmotor emphasizes a full lifecycle approach and extends producer responsibility, with a robust recycling system.

#### Use of recyclable materials

Leapmotor utilizes and increases the proportion of low-carbon materials such as recycled materials, bio-based materials, and clean energy materials, which is one of the Company’s important carbon reduction measures. We have set clear targets for the application rate of recycled materials in vehicles: by 2030, the proportions of recycled steel, aluminum, and plastics in new vehicles will reach 20%, 30%, and 25%, respectively. We also plan to promote progressively these materials in new vehicle projects, aiming to achieve the goal of increasing the application rates of recycled steel and recycled aluminum in vehicles to 10% and 20% by 2025, respectively.

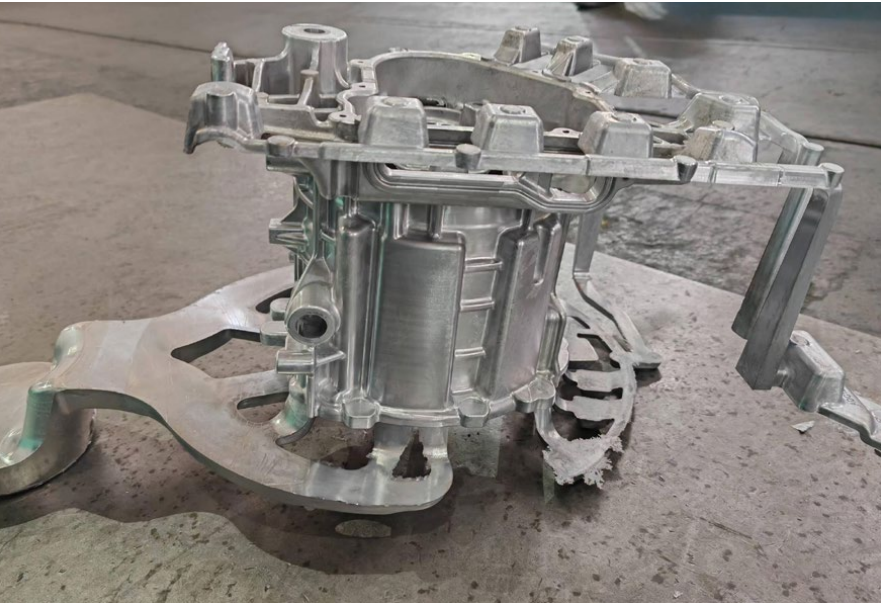
Throughout vehicle design and development, Leapmotor adheres to the principles of circular economy to increase the use of recycled materials in both exterior and interior components gradually.

Material management is crucial to integrating resources, controlling costs, and reducing environmental impacts. Leapmotor precisely manages materials by introducing VR technology for virtual assessments and object digitalization, significantly reducing the number of resin- or ABS-based samples. We also maintain 100% sulfur-free plasticine, which is fully recyclable for maximum material utilization. In 2024, the Company conducted over 80 virtual assessments. The bamboo charcoal fiber fabric and seat materials used in the Leapmotor B10 model have obtained the OEKO-TEX® STANDARD 100 certification.

Case

Leapmotor implements a plasticine management and recycling model

Leapmotor has established a plasticine recycling system to reuse the material in production. For plasticine that cannot be fully reused in-house, we collaborate with specialized recycling companies to ensure centralized collection and reprocessing. Additionally, we promote resource-sharing and circular reuse among industry peers, fostering synergy across the supply chain to enhance overall plasticine recycling efficiency.



The motor housing uses recycled aluminum



The rear door exterior panels are made from recycled plastic



Battery recycling

Leapmotor strictly follows national regulations on NEV power battery recycling. We have established a comprehensive management process for multi-departmental coordination involving product development, procurement, technology, and quality. This framework ensures the effective management and recycling of decommissioned batteries from manufacturing, testing, and market. The Company has combined in-house processing and external collaboration and signed recycling agreements with enterprises that meet the *Regulatory Requirements for the Comprehensive Utilization of Decommissioned NEV Power Batteries*. These agreements require that all materials within the battery pack be sorted by category and undergo standardized dismantling procedures to prevent material waste and environmental pollution. A battery recycling network shall be expanded nationwide.

At the design stage, Leapmotor considers the recyclability of product components and materials and adopts product designs convenient for recycling. To optimize battery performance, we improve cell design to extend both cycle life and calendar life. Furthermore, we explore the cascade utilization of retired power batteries to extend their lifecycles and maximize their values. Additionally, we have launched an energy storage product line that taps into the residual value of passenger vehicle battery packs for cascade utilization. This approach has been integrated into other green

energy solutions, supporting the development of a green energy ecosystem. We have developed successful cases for the cascade utilization of whole battery packs, providing new ideas for battery recycling.

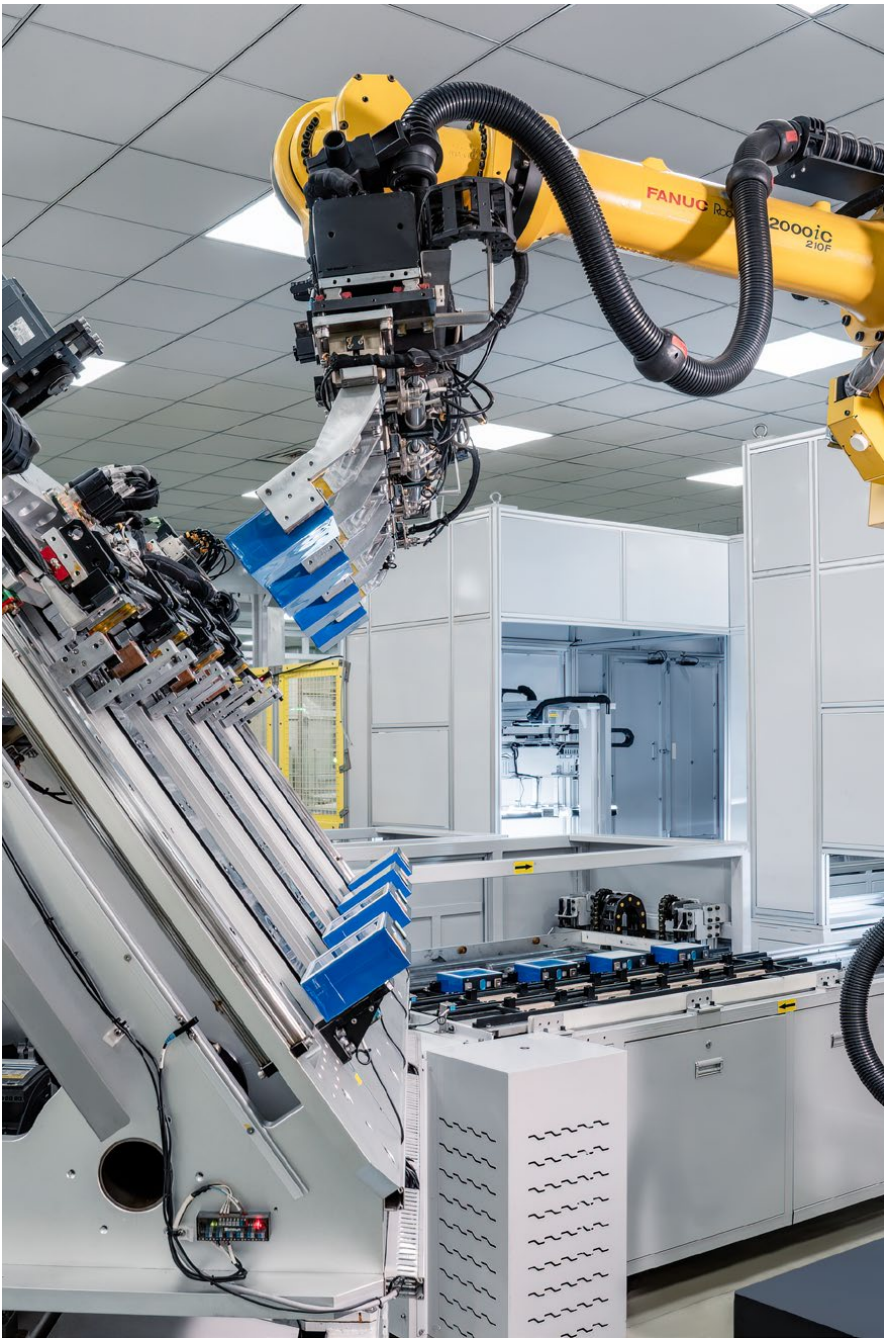
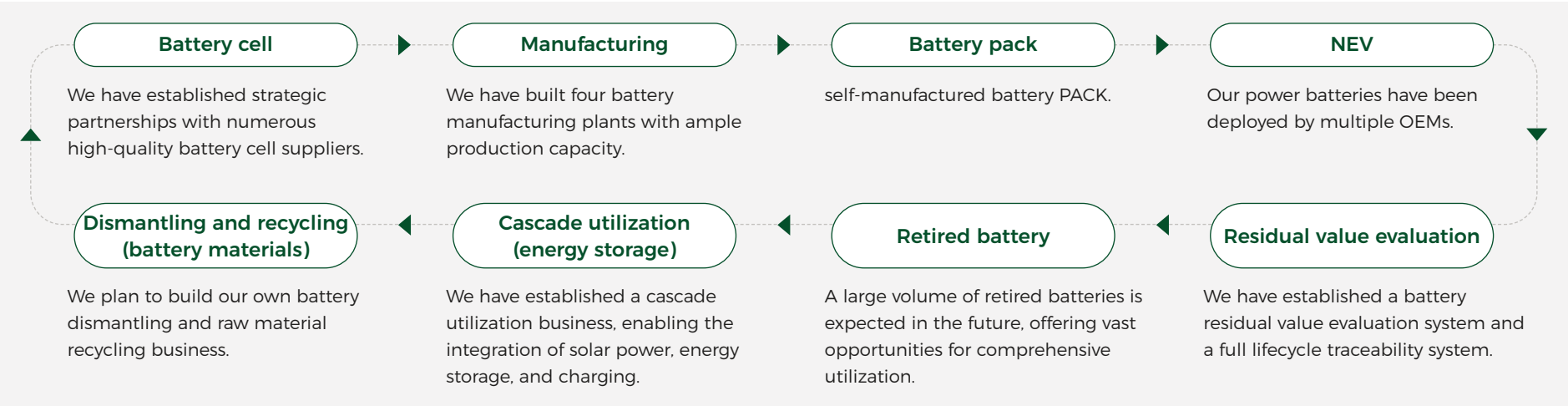
To foster a sustainable battery recycling ecosystem, we have included battery recycling guidance into our user manuals. Consumers can connect with certified recycling networks, ensuring that end-of-life products are directed into regulated reprocessing channels. This method aligns with our commitment to full lifecycle green operations, effectively promoting resource recycling and environmental protection.

Case

**Cascading utilization project of retired EV battery packs**

Leapmotor has developed an industrial and commercial energy storage system using multiple retired EV battery packs. The system adopts a “2-pack cluster with cluster-level independent management” structure and connects to the power conversion system on the DC side in parallel. It supports peak-valley arbitrage, demand-side management, and backup power, effectively enabling cascading utilization of retired EV battery packs.

| Leapmotor Battery lifecycle close-loop system |





### 3.3 Enhancing Biodiversity Conservation

Leapmotor recognizes that biodiversity conservation is vital to ecological balance, sustainable use of natural resources, and the Company's long-term development. Therefore, we carefully assess the environmental impact of site selection and conduct environmental impact assessments before project construction as required by laws and regulations. We adopt advanced pollution control technologies and management practices and implement prevention and mitigation measures to minimize long-term adverse effects on the environment. To heighten green awareness, we engage employees, consumers, and communities in promoting green offices, green consumption, and green philanthropy to foster a green culture.



#### 3.3.1 Green Office

We actively create green office scenarios and encourage environmentally friendly and low-carbon office practices among employees. We take various energy-saving and waste-reducing measures in office areas, such as energy and water conservation, paperless office, and travel by public transportation, so as to maximize the potential of our green office practices. We also promote the “lights-out factory” culture, regularly organize energy-saving meetings to share best practices and achievements, and award outstanding individuals or teams in energy-saving initiatives to further motivate employees to make energy-saving efforts.

Leapmotor Key Measures and Achievements of Green Office Practices

Promoting a “paperless” office

We have launched a “scan-to-process” model to promote the digital upgrade of administrative services. Notably, the online incoming inspection system saved 250,000 sheets of paper and 5,000 pens per year.

Implementing “energy conservation and consumption reduction”

We arrange designated personnel to regularly inspect water and electricity uses in office spaces, electricity consumption of test site equipment and others. To reduce unnecessary energy use, we also focus on monitoring electricity consumption during peak seasons.

Encouraging green travel

We encourage employees to travel in green and low-carbon ways such as public transportation, cycling, or walking, and regularly organize low-carbon travel activities, integrating environmental protection concepts into our culture. We also fully promote the use of new energy vehicles for business purposes and take various measures to promote green travel.



### 3.3.2 Advocate for Green Practices

Leapmotor conveys the concept of sustainability, which is a key measure to guide sustainable consumption. We have issued the *Leapmotor Green and Low-Carbon Travel Promotion Manual* and organized various green education and publicity activities to enhance consumers' awareness and acceptance of green and low-carbon travel. We encourage consumers to choose electric or new energy vehicles and associated services and practice a green lifestyle together, popularizing green and low-carbon travel. In 2024, Leapmotor encouraged more than ( ) people to participate in environmental protection activities.



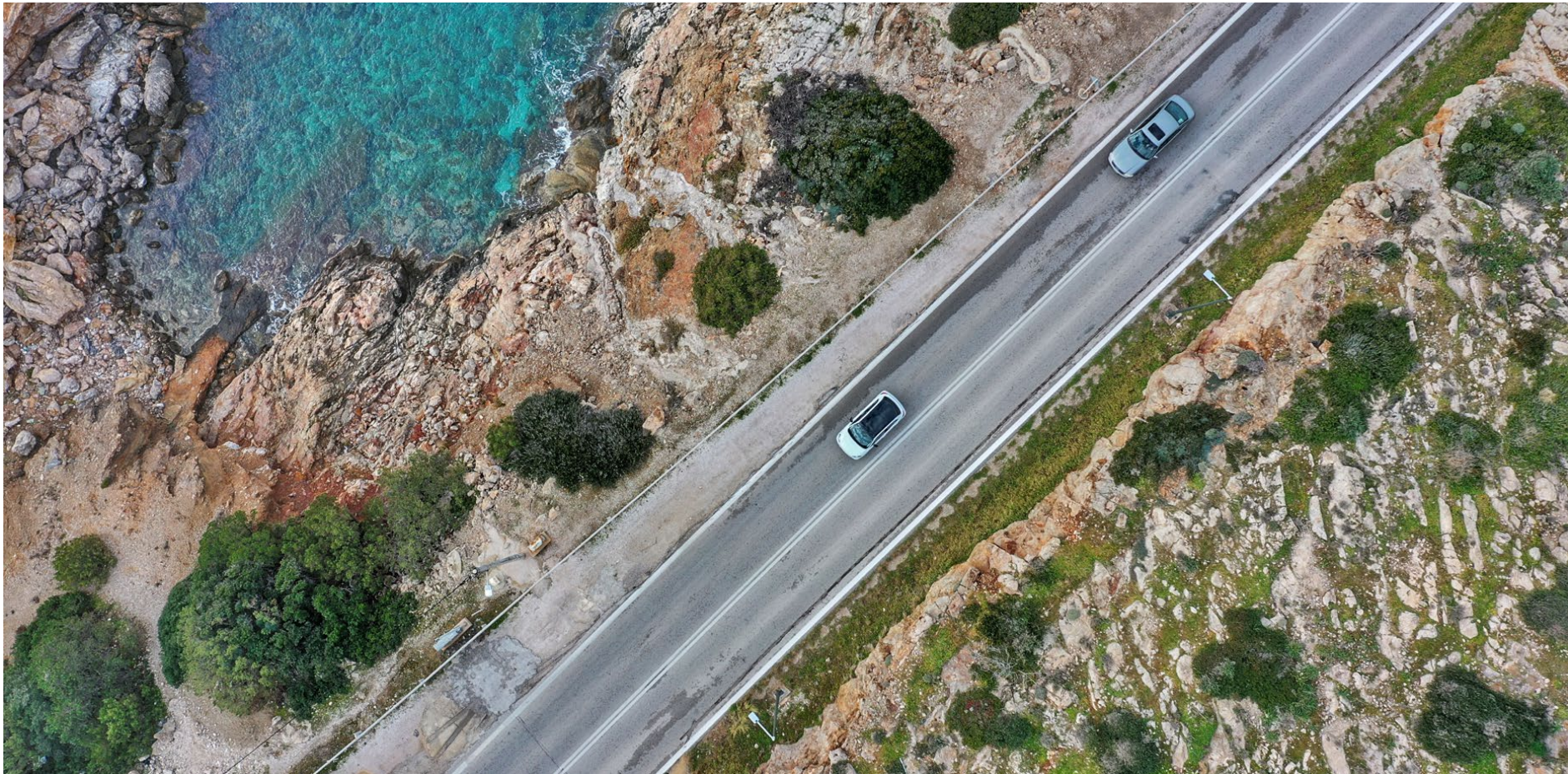
Leapmotor and the Alxa Malan Lake Ecological Foundation have jointly carried out the public welfare forest project for three consecutive year, contributing to the ecological restoration of the desert. A total of RMB 100,000 has been invested in this public welfare funds



Leapmotor provided vehicle support for the first Jinhua Marathon, leading a new trend of low-carbon events

#### | Leapmotor Goals for Encouraging Green Travel |

Short-Term	Medium-Term	Long-Term
Enhance consumers' awareness of the carbon emission advantages of new energy vehicles and increase the sales share of NEVs in the target market	Further enhance consumers' recognition of green travel and encourage more consumers to choose new energy vehicles through consistent education and promotion	Cultivate a green travel culture and make new energy vehicles the first choice for consumers, so as to drive low-carbon transformation across the society





# Diversity, Openness, and Inclusion

Regarding talent as its most valuable asset, Leapmotor is committed to building a sustainable development ecosystem where employees and the Company thrive together. We strive to create a safe, diverse, and inclusive workplace by providing every employee with a professional platform with dignity, security, and opportunities for growth. We have also established a comprehensive multi-tiered talent development system and continuously optimized occupational health and security management mechanisms, enabling employees to grow with us and share our development achievements.

## Contribution to SDCs





## 4.1 Protecting Employee Rights and Interests

Leapmotor works to foster a vibrant workplace that respects individuality and also embraces diversity and inclusion. Committed to building a sustainable talent team, we offer highly competitive compensation, generous benefits packages and a broad platform for career development.

### 4.1.1 Equal Employment

In strict compliance with relevant Chinese laws and regulations such as the *Labor Law* and the *Labor Contract Law*, Leapmotor have formulated the *Employee Handbook*, enforces a fair, just and non-discriminatory employment policy. We make every effort to ensure that there is no discrimination in recruitment regardless of gender, age, religion, and nationality. We also protect the legitimate rights of all employees in relation to salary, dismissal, working hours, and holidays, with a commitment to creating an equal, inclusive and diverse workplace. At present, we have 15,551 full-time employees, 261 interns, 7 workers dispatched and 2 staff who are rehired after retirement.

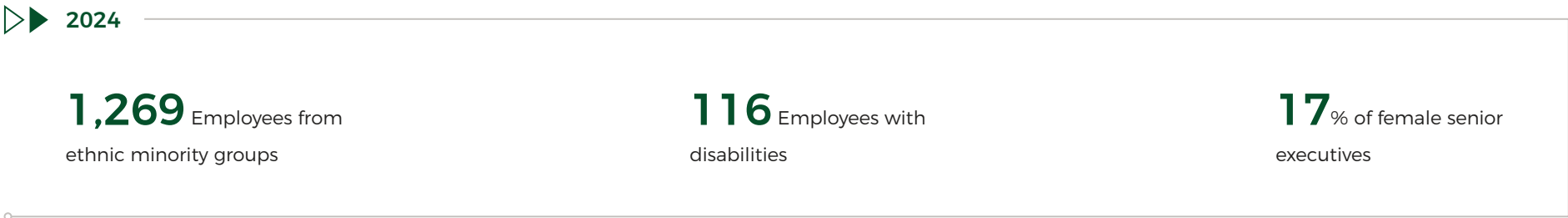


“Outstanding Enterprise in Human Resource Digital Transformation in 2024” by Beisen

“Zhejiang Outstanding Employer in 2024” by Liepin

“Hangzhou Best Employer in 2024” by Zhilian Zhaopin

“Popular Employer in Campus Recruitment in 2024” by Saima Technology



Headcount and Distribution of Employees



Leapmotor Staff Turnover Rate

Indicators		Unit	2024
Total Staff Turnover Rate		%	18.58
By Gender	Female	%	17.07
	Male	%	18.88
By Age	30 or Below	%	20.07
	31-50	%	16.87
	Above 50	%	6.45
By Region	Mainland China	%	18.58
	Hong Kong, Macao and Taiwan China	%	0
	Overseas	%	0



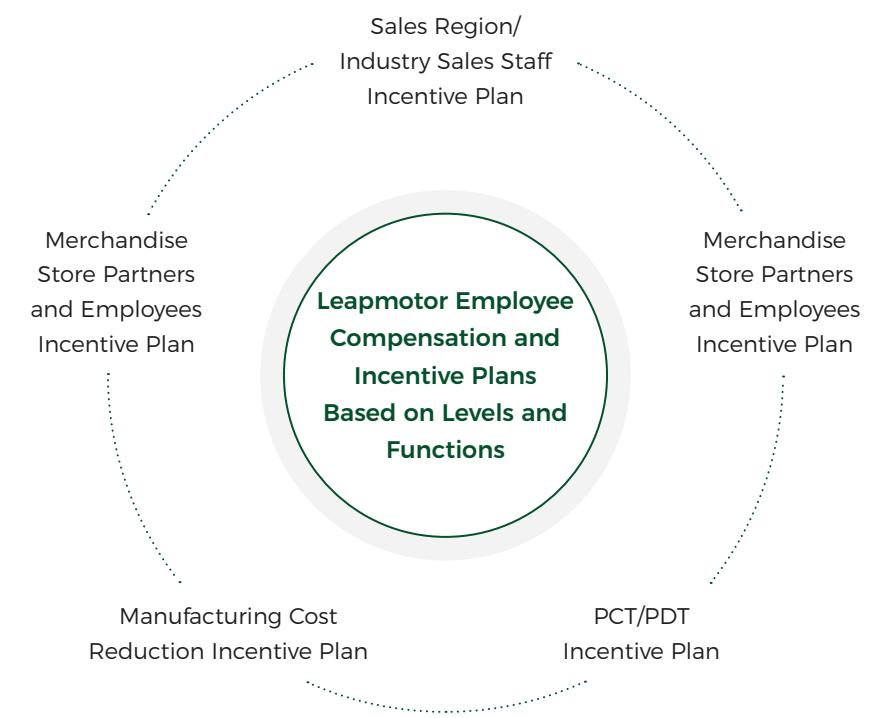
### 4.1.2 Compliance Employment

In accordance with the *Labor Law* and other applicable Chinese laws and regulations, we have formulated and implemented policies such as the *Recruitment Management Measures*, the *Campus Recruitment Management Measures* and the *Internal Referral and Reward Rules* to standardize the recruitment process. All the recruitment procedures are open, transparent and traceable to safeguard the rights of our employees. During the recruitment process, our rigorous identity verification and background checks ensure that all employees meet the legal working age requirements. We steadfastly oppose illegal employment practices and strictly prohibit child labor, forced labor use, and any form of harassment. Meanwhile, to facilitate employees' complaint, multiple feedback channels are set up, such as dedicated offline Human Resource Business Partners (HRBP<sup>42</sup>), an online HR hotline, a suggestion box, and an email box for official supervision. Leapmotor has had no incidents of child labor or forced labor since its establishment. Additionally, the Company emphasizes employee privacy protection. To regulate the management and use of employee information and protect employee privacy, we have developed the *Employee Information Management Guidelines* to prevent the misuse of employee data.

### 4.1.3 Compensation and Benefits

Leapmotor is dedicated to creating a compensation, incentive and benefits system that is internally fair and externally competitive. We have established a multi-tiered compensation structure that combines short-term incentives with long-term benefits, including salary, performance bonuses, and long-term equity incentive. While paying for pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing provident fund for employees, we make a commitment to support living wages, providing employees with basic wages higher the local minimum wage standards set by the government. We have also built a unique Leapmotor honor system, which includes various awards such as the Quarterly Hero List, Annual Excellence Recognition, and Quality Improvement Proposal Award. This system recognizes teams and employees who demonstrate outstanding performance and uphold company values. Through the "Leapmotor Style" internal column, we share exemplary stories, promote core values, celebrate achievements, and inspire employees to excel.

In line with the overarching philosophy of "paying based on value creation, value assessment, and value distribution", and the principle of "determining job levels based on position, determining pay grades based on job levels, matching a person with a job, and adjusting pay for position changes", we apply the "salary distribution" model, that is, to offer different salary and incentive plans for employees at different levels and functions, and give each department flexibility in self-management. In 2024, despite a complex and changing economic environment, the Company developed different compensation incentive plans for employees of different levels and functions, establishing an innovation incentive system benefiting all employees. This has achieved counter-cyclical growth in employee compensation, better maintaining employee stability while ensuring stable corporate operations.



We have established a sound welfare system and launched an array of thoughtful employee benefits initiatives. In addition to providing statutory

benefits, we offer all employees extra non-salary benefits such as commercial insurance for employees, additional annual leave, annual health check-ups, birthday gifts , and commemorative items for long-term service, all aimed at strengthening employee cohesion and a sense of belonging. In 2024, we rolled out an "Employee Life Channel", through which we leverage various resources to offer employees a suite of benefits covering five major scenarios – dental care, transportation, shopping, fitness, and entertainment. Our ongoing offering of discounted benefit packages have improved employees' overall sense of well-being.



<sup>42</sup> HRBP: Human Resource Business Partner

### 4.1.4 Democratic Management

In line with relevant Chinese laws and regulations, such as the *Trade Union Law*, Leapmotor has established the Workers’ Congress and Labor Union. Guided by the principle of “safeguarding employees’ legitimate rights and promoting the healthy corporate development”, we engage in equal negotiations with employees and sign the *Collective Contract* with them every three years. This contract includes key matters such as labor compensation, effectively protecting employees’ rights and interests. In 2024, we conducted an employee satisfaction survey, collecting over 5,000 valid responses. We then scientifically analyzed and systematically addressed more than 800 employee suggestions. Since its founding, the Company has not experienced any employee strikes or work stoppages.

| Leapmotor Key Measures in Democratic Management |

01	Listening to employees	Leapmotor conducts regular employee satisfaction surveys to gain in-depth insights into employees’ needs, listen to their voices, and respond to their concerns. Based on reasonable employee suggestions, the Company takes action and implements improvement measures, ensuring that every opinion is answered and translated into actions.
02	Ensuring unhindered feedback channels	Employees are encouraged to participate in corporate management. Leapmotor has established a dedicated feedback portal within the OA system, providing a convenient and efficient platform for employees to share their opinions. Meanwhile, the labor union regularly compiles employee suggestions and reports them to the management, ensuring that every opinion is understood and valued.
03	Establishing a democratic communication mechanism	The Company integrates online and in-person communication through union committee online chat groups and regular labor union meetings. We collectively discuss matters closely related to employees’ interests, such as employee benefit plans, event planning, and assistance programs. This approach ensures transparency in decision-making and upholds democratic management principles.
04	Building an information-sharing platform	Through the “Leapmotor Labor Union” and the “Leapmotor Style” WeCom columns, we share updates on union benefits, upcoming events, and the stories of role models. This inspires employees’ motivation and fosters engagement and a sense of belonging, creating an employee-centered communication platform.
05	Respecting employees’ democratic rights	To thoroughly implement people’s livelihood management system, we organize annual special review meetings on human resources systems, fully safeguarding the rights of employee representatives to be informed, to participate, to express opinions, and to supervise.

▶▶ 2024

50+ Employee seminars held

100% Labor union membership rate of employees

100% of employees signing the collective contract (collective bargaining agreement)



↑ We host new employee seminars to serve as a two-way communication platform, helping new hires quickly understand the corporate culture and business processes



## 4.2 Promoting Employee Development

In Leapmotor's development blueprint, talent remains the most core strategic asset. We have established a systematic, multi-dimensional employee development system with a dual-channel career development mechanism that allows for horizontal expansion and vertical promotion. Through precise talent profiling and personalized development plans, we tailor career development plans for all job sequences, ensuring that employees across various positions and different levels can find their unique development paths on the Leapmotor stage. This will help them achieve personal growth, and advance corporate development.

### 4.2.1 Training and Education

We continuously improve our employee training and development system that combines training and hand-on practice to help employees grow rapidly. To realize effective training, we implement our training policies such as the *Leapmotor Training Management Measures*, the *Sequence S Training Management Measures*, the *Management Rules for Internal Lecturers*, and the *Management Rules for External Lecturers*. In addition, we provide diversified training courses for different business lines and employee groups, fully promoting the high-quality development of the talent team.

▶▶ 2024

15,078Participants  
of employee training

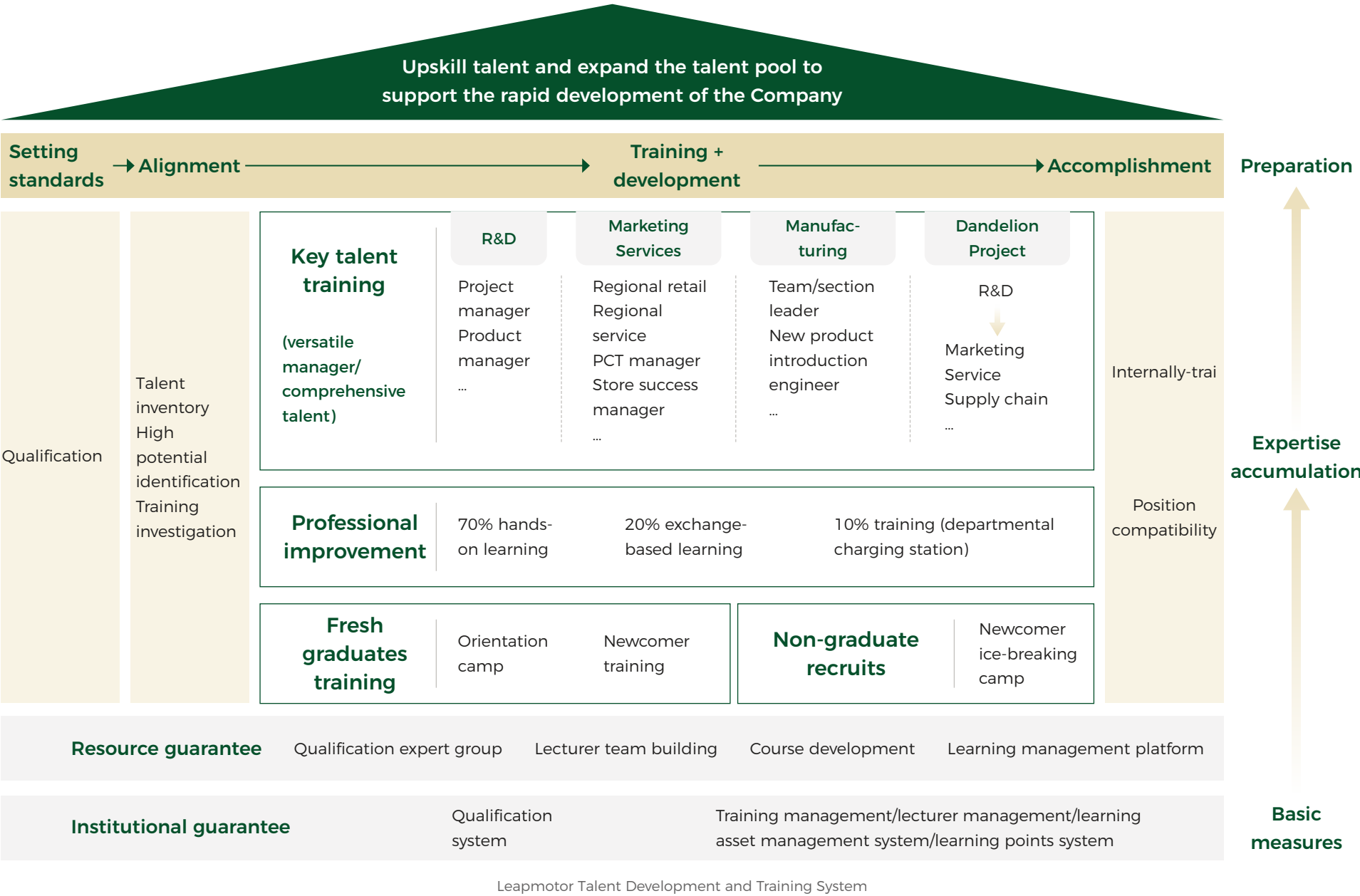
96.96%  
Coverage rate

416,072  
Training hours in total

27.59  
Training hours per employee

100% of employees receiving  
regular performance and career  
development evaluation

100% of employees  
receiving vocational or  
skills-related training



| Leapmotor Employee Training and Development |

Indicators		Unit	2024
Training Ratio by Gender	Female staff training ratio	%	92.89
	Male staff training ratio	%	97.77
Training Ratio by Rank	Training ratio of ordinary employees	%	96.86
	Training ratio of mid-level management	%	100.00
	Training ratio of senior management	%	100.00
Average Training Hours by Gender	Average training hours of female employees	Hour	28.47
	Average training hours of male employees	Hour	26.42
Average Training Hours by Rank	Average training hours of ordinary employees	Hour	27.86
	Average training hours of mid-level management	Hour	20.02
	Average training hours of senior management	Hour	24.33

Case

Leapmotor encourages employees to participate in academic advancement programs

In collaboration with local universities in Jinhua, Leapmotor has set up courses internally to create convenient learning conditions for employees and support their academic advancement. Meanwhile, production line workers with associate or bachelor's degrees are granted priority access to promotion opportunities, with shorter years of service requirement for promotion. Academic qualifications are regarded as a key criterion for employee promotion. These measures aim to incentivize employees to learn and help them continuously improve their overall quality. In 2024, a total of 52 employees enrolled in the academic advancement program.



In 2024, we held a three-day “Battlefield Commander Training Camp” for marketing service managers to enhance their leadership, collaboration, and service capabilities.



4.2.2 Career Development

At Leapmotor, employee growth and development are regarded as the core driver for the sustainable corporate development. To this end, we have established “management + professional” dual advancement channels, providing employees with clear career development paths and all-round support for upskilling. Additionally, under the strategic workforce planning, we annually analyze talent supply trends and develop organizational plans, team scale, and key strategic talent deployment plans based on our strategic goals, ensuring that our talent development is closely aligned with our strategy.

To provide employees with more cross-functional career development opportunities, we launched the “Dandelion Program” in 2024. The program aims to enable internal talent mobility and organizational capability building through internal recruitment. By encouraging employees to grow across different roles, the program helps cultivate versatile talent with both professional expertise and know-how in various sectors. This not only supports the talent needs of our core business, but also achieves the realization of corporate strategies and employee development.

To continuously motivate employees and reinforce the talent strategy, we have developed equity incentive plans for directors, supervisors, senior executives, management, core employees, and individuals who have made outstanding contributions to the Company. Our goal is to share the Company’s development achievements with employees.

In 2024, the Company optimized job development system. Our promotion cycle, screening criteria, exceptional promotion rules and our job qualification standards were all refined. We developed 52 new standard documents covering 109 positions, which further clarified the required knowledge, skills, qualities, actions, and other capabilities for key positions. They provided clearer development plans and guidance for employees’ capability development. Moreover, professional and managerial promotion policies were developed for three types of employees: white-collar workers, store salespersons, and front-line blue-collar workers. In doing so, we balanced employee development as well as the motivation and retention of excellent talents.



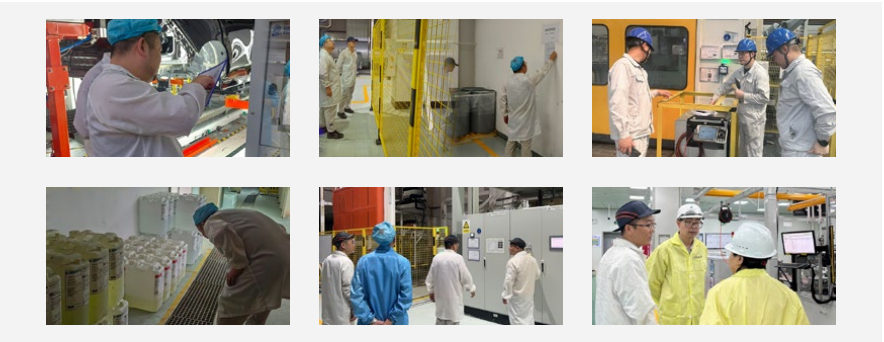


## 4.3 Safeguarding Employee Health

Leapmotor always prioritizes health and safety, continuously researching and optimizing its work safety management system. We strengthen occupational health and safety protection by optimizing standardized procedures of work safety, establishing a sound dual-prevention mechanism for safety risk classification control and hazard investigation and governance. Additionally, we actively promote the development of an occupational health management system, creating a safe, healthy, and comfortable workplace for our employees.

### 4.3.1 Work Safety

Leapmotor adheres to the work safety concept of “safety first, prevention foremost, and comprehensive management”. We strictly implement and constantly improve our work safety management systems such as the *Work Safety Inspection and Hidden Hazard Rectification Management System* and the *Work Safety Education and Training Management System*. We have passed the audits and certification of the ISO 45001 occupational health and safety management system and the ISO 14001 environmental management system. In addition, our regular special safety inspections, holiday safety checks, weekly on-site safety reviews, and daily safety patrols ensure orderly production. We also fully implement safety precautionary measures to promptly eliminate unsafe manual operations and hidden safety hazards in equipment and facilities and to effectively prevent work safety accidents.



We conduct standardized, regular, and specialized on-site evaluations and inspections at the teams, workshops, and the Company to ensure that work processes comply with national work safety regulations.

The Company values risk prevention and safety emergency management. We have formulated and implemented the *Risk Assessment Management System* to enhance corporate risk management, prevent accidents, and achieve standardized and scientific safety technology and management. Methods such as hazard prediction (KY) and LEC-based job safety analysis are employed to ensure the comprehensiveness and accuracy of risk assessments. During the risk assessment process, we clearly define different risk levels and organize regular risk trainings for employees, covering topics such as hazard

identification, risk assessment methods, control measures, and emergency response plans, so as to enhance employees’ awareness of risks and their ability to respond. In 2024, the Company organized 6 factory emergency drills and over 30 department emergency drills in scenarios such as electric shock, vehicle accidents, fueling machine fires, dormitory fire escape, operations at confined spaces, chemical leaks, and flood prevention, effectively improving the emergency response capabilities of on-site employees. In 2024, the Company achieved 100% on-time rectification for identified issues.





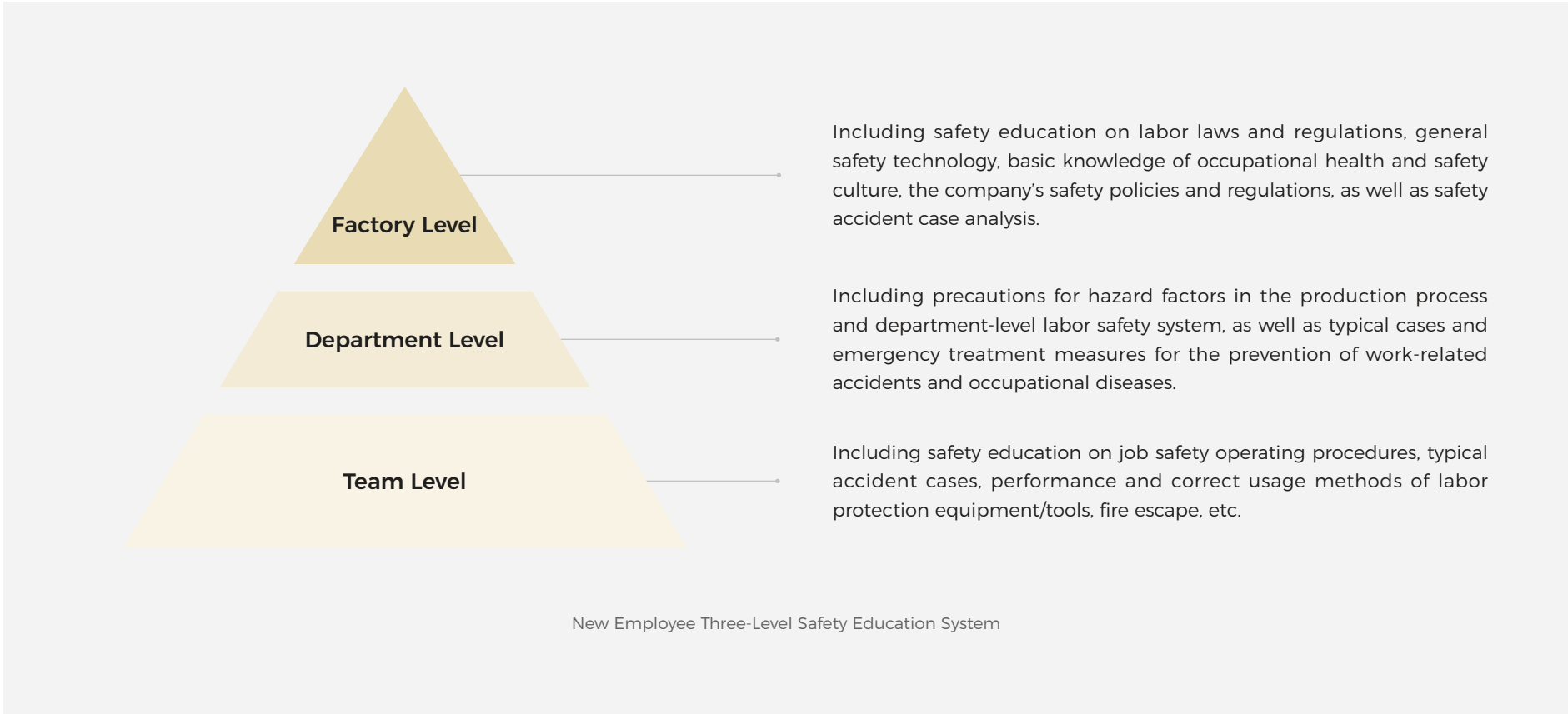


In line with the principle of “everyone should be responsible for work safety”, we put into practice the work safety accountability system, and set up the Occupational Health, Safety and Environment Committee. We have revised the *Work Safety Responsibility System* to clarify work safety responsibilities from the Work Safety Committee to front-line employees. Our factories have thoroughly implemented a three-tiered safety monitoring system at the factory, department, and team levels. Our own safety management experience and health and safety policies are also applicable to related parties to fully implement the work safety accountability system.

▶▶ 2024

100% of operation sites conducting employee health and safety risk assessment

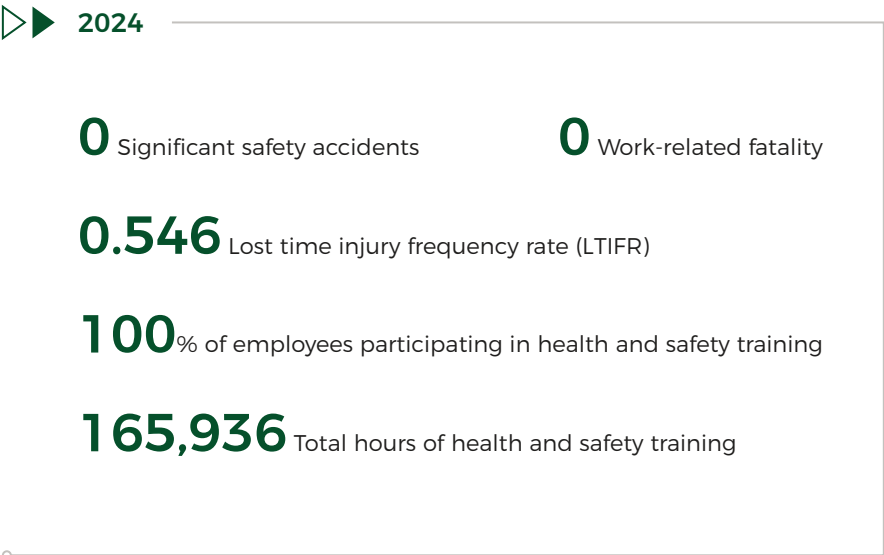
100% of operation sites covered by the Occupational Health, Safety and Environment Committee



Furthermore, we continuously strengthen work safety training management and regulate the training order. We comprehensively raise employees' safety awareness and improve their capabilities based on diverse training forms and contents. Specifically, for new employees, we offer a three-level work safety program at the Company, department, and team levels. This progressive approach educates new employees with safety details, helping them identify and avoid potential safety hazards.



Leapmotor Safety training for new hires



| Leapmotor Key Training and Education on Work Safety |

Special operator education	Special operators must undergo dedicated safety knowledge and operation skill training. Only those who pass the examination and obtain a work permit are authorized to operate.
Safety training for management personnel	Department managers or higher and safety managers (both department-level and company-level) must participate in government- or company-organized safety training and evaluation programs in addition to self-study on safety management. Retraining is required every three years.
Job transfer training	For employees who resume their duties after working in other positions for at least a year, they must complete department- or team-level safety training.
Safety training for team leaders (safety officers)	Team leaders (safety officers) must complete department- or company-organized safety training and pass the assessment before assuming their roles.
“Four-New” safety training	When adopting new processes, technologies, equipment, or materials, departments must provide targeted safety training to relevant personnel.
Safety training for external personnel	External personnel who enter the plant for business or collaboration purposes must complete safety training or receive a safety briefing organized by the Safety, Environment and System Department.



### 4.3.2 Occupational Health

Leapmotor strictly complies with Chinese laws and regulations such as the *Law on Work Safety* and the *Law on Prevention and Control of Occupational Diseases*. In accordance with the GB/T 45001-2020 *Occupational Health and Safety Management Systems – Requirements with Guidance for Use*, the ISO 14001 *Environmental Management Systems – Requirements with Guidance for Use* and the ISO 45001 *Occupational Health and Safety Management Systems Requirements – Requirements with Guidance for Use*, we have continuously optimized our environment, health and safety (EHS) management system. We strictly implement our *EHS Management Manual* to fully protect employee health and work safety.

We have set clear targets for occupational health and safety and environmental management. A monthly EHS assessment is carried out at each department, the result of which is incorporated into our monthly performance assessment. This mechanism guarantees the achievement of annual targets for occupational health and safety and environmental management. In 2024, nine new system documents were added, forming a total of 53 management systems covering the entire process, 6,236 EHS hazards have been reviewed and achieved 100% on-schedule rectification rate.



Leapmotor invites professional instructors from the Red Cross Society to deliver systematic training in cardiopulmonary resuscitation (CPR), AED use, and trauma nursing skills through the “theory + practice” model.

In compliance with regulations, the Company distributes personal protective equipment and guides its proper use while strengthening health management and maintenance of equipment. Our tangible measures protect our employees from hazardous materials, noise and other sources of hazards. Meanwhile, we continuously improve our emergency response plans, which clarify the responsibilities of relevant departments and personnel at each stage. Moreover, we evaluate and update the hazard source checklist, and conduct emergency rescue drills, hazard prediction training, and hazard perception exercises. These efforts ensure that our risk control measures are taken in a prompt and targeted manner while sharpening employees’ ability to identify and prevent potential hazards, as well as their sensitivity to hazard sources and emergency response capabilities. In 2024, there were no occupational diseases or major work safety accidents, and no administrative penalties in relation to work safety at Leapmotor.

Leapmotor is also dedicated to establishing dual protection for occupational health and mental health. In terms of occupational health, we develop an occupational health check-up mechanism to ensure the health and safety of our employees and stakeholders, and to strictly control safety accidents.



Leapmotor conduct joint inspections with fire brigades, and 100% of the fire hazards are corrected.

In terms of mental health, we offer a 24/7 employee mental health hotline, a series of psychological lectures, and emotional counseling channels to help our staff regulate their emotions and relieve work and life stress.

▶▶ 2024

100% Coverage rate of employee physical examinations

70+ Emergency drills, safety activities and safety training for all 8,000 Participants, 100% Training coverage rate



Leapmotor opens a 24/7 employee mental health hotline and offers offline counseling.



## 4.4 Caring for Employee Life

Leapmotor actively tracks employee needs and continuously builds a multi-dimensional employee care system by thinking big and acting small. This ensures that every employee can thrive in a relaxed, united, open, and dynamic workplace, strengthening their sense of belonging and personal well-being.

### 4.4.1 Employee Care

The Company takes several measures to help our employees cope with atypical situations in work and life. Employees with special needs, such as those with mobility issues due to accidents or discomfort during pregnancy, can choose to work from home. For employees on extended sick leave, we pay sick leave wages higher than local minimum wage standards under the *Provisions on Medical Treatment Period of the Workers Suffering from Illness or Non-Work-Related Injuries*. For ethnic minority employees, we have set up dedicated halal food windows to meet their dietary habits and religious needs. Besides, we provide one-on-one support for employees in need to apply for relief funds, effectively addressing their life challenges.

At Leapmotor, the care for female employees is at the forefront of our corporate culture. In strict compliance with national regulations, we offer prenatal check-up leave, maternity leave, and breastfeeding leave. Apart from that, we have set up an exclusive holiday for female workers – Women’s Day on March 8. In addition to paying the national maternity allowance, we pay an extra basic salary every month to support the living expenses of female employees during maternity leave. Moreover, women’s health lectures are organized on a regular basis and traditional Chinese medicine experts are invited to offer free medical care services and health guidance. As for infrastructure, our “Mommy Room” provides a private, comfortable, and safe resting place for pregnant and lactating female workers. This comprehensively elevates our care for female employees in the workplace. In 2024, 133 employees taking maternity leave, 393 employees taking paternity leave.





### 4.4.2 Employee Activities

Leapmotor encourages employees to participate in clubs based on their interests, such as basketball, football, badminton, fitness, and outdoor activities. We actively organize such events as Leapmotor Family Day and fun sports meetings to help employees better balance work and life. In 2024, the Company hosted over 80 festive and team-building activities.

Case

Love brings everyone together – Leapmotor Family Day

In 2024, Leapmotor held the 9th Family Day event and received more than 150 families from all over the world. During the event, a variety of interactive games and activities allowed every child of the participating families to better understand Leapmotor and their parents' work. This event brought employees' families closer to the Leapmotor family, and strengthened emotional bonds between the Company, employees, and their family members.



Family Day activity



Regular badminton, football and other events



Six baking, coffee, scented plaque and pastry making activities involve 300 employee participants



Organizing blind dating activities to provide a platform for single young people to make friends



Three "Leapmotor Healthy Living" themed hiking activities, which involve over 700 employees and their families



# Happiness Sharing with Extensive Consultation and Joint Contribution

Committed to building a transparent and trustworthy win-win ecosystem, Leapmotor has always pursued shared growth with partners, responding to their expectations with sincerity and driving innovation through responsibility. Together with our suppliers, employees, users and other stakeholders, we actively engage in community building and public welfare activities to promote sustainable development.

Contribution to SDCs





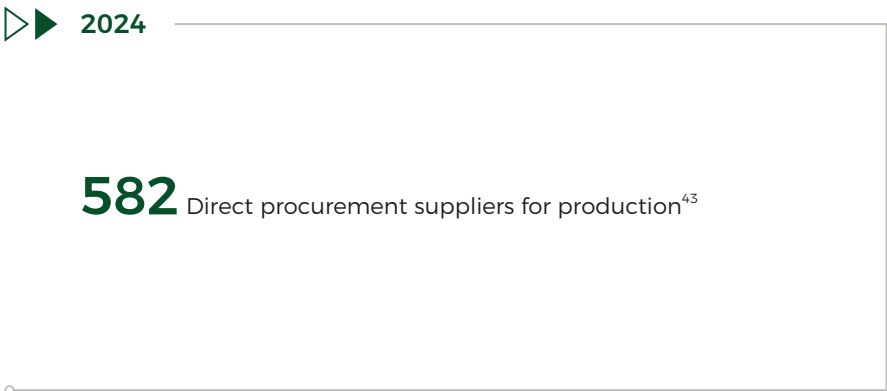
## 5.1 Building Sustainable Supply Chains

Leapmotor continuously optimizes its supplier management system and regulatory standards, with a focus on strengthening its supplier access review. Based on sustainable supply chain management, we guide suppliers to deepen their understandings of environmental and social concepts, and jointly explore low-carbon and efficient supply chain management models, laying a solid foundation for enhancing the resilience and security level of the supply chain.

### 5.1.1 Supply Chain Management System and Regulations

Leapmotor strictly abides by Chinese laws and regulations such as the *Civil Code* and the *Bid Invitation and Bidding Law*, and comprehensively implements policies including the *General Regulations of Procurement*, the *Confidentiality Agreement*, the *Letter of Commitment to Integrity and Self-discipline*, and the *Supplier Quality Management Manual*. Upholding the principles of transparency, fairness, and compliance in procurement, we clearly define the responsibilities and obligations of both parties in areas such as data security, cybersecurity, privacy protection, anti-bribery, anti-fraud, and trade compliance with suppliers. Additionally, we have improved channels for supplier complaints and whistleblowing, maintaining efficient communication with whistleblowers and committing to providing timely feedback after investigations to ensure transparent handling process. In 2024, no frauds were identified when the Company collected feedback regarding compliance, supplier quality issues, and pricing rationality in the bidding process.

In 2024, Leapmotor added and revised six regulatory documents, such as the *Production Material Procurement Management Program*, the *Supplier Quality Issue Management Program*, and the *Risky Supplier Management Program*, which further refined the Company's management procedures for supplier sourcing, access and process management, review evaluation, and performance evaluation, and communication and exchange. These documents ensure seamless integration and efficient collaboration across all supply chain segments, solidifying the foundation



Leapmotor Number of suppliers by region |

Region where suppliers are located	Unit	2024
Northeast	/	10
North China	/	23
East China	/	473
South China	/	37
Southwest	/	16
Other regions	/	23

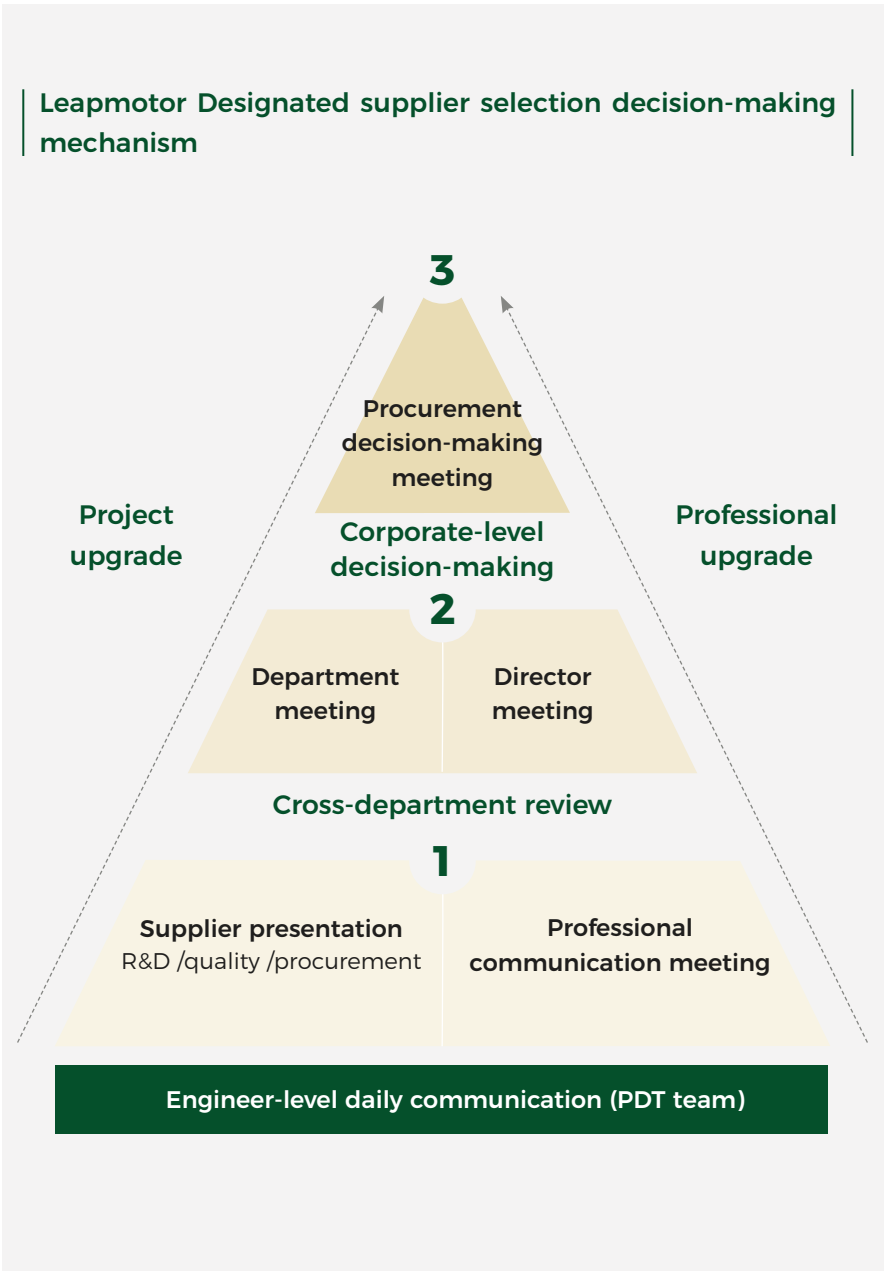


<sup>43</sup> Direct suppliers refer to those who provide components or auxiliary materials directly for vehicle manufacturing, including suppliers of batteries, electric drives, and self-developed automotive electronics

### 5.1.2 Supplier Access And Evaluation

Leapmotor strictly follows the *Supplier Designated Management Program* to establish a whole process quality control mechanism that covers supplier screening, certification, and supervision. Suppliers are required to obtain the IATF 16949 Quality Management System Certification. In addition, for environmentally sensitive suppliers, we have added ISO 14001 Environmental Management Systems Certification as a mandatory threshold. Suppliers in the intelligent connected vehicle sector must also achieve R155/R156 System Certification. In addition, supplier risk management is high on our agenda. We inquire about and manage public information on suppliers' business ethics and credit risks through the platform TianYanCha. Besides, we have formulated and implemented the *Supplier Security Management Standard*, alongside regular information security assessments for suppliers.

At the access stage, Leapmotor establishes a cross-functional supplier access review team to conduct a comprehensive evaluation around eight core dimensions, including the quality system. Carbon emission management is also incorporated into the access evaluation framework, with a focus on verifying the completeness of the supplier's carbon emission organizational structure, the qualification of low-carbon management personnel, and carbon reduction technology implementation plans, which ensures adherence to Leapmotor's sustainable development goals. Additionally, through a quantitative scoring mechanism, we have established a qualified supplier database, where suppliers are categorized based on their quality system capabilities. For any non-conformities, suppliers are required to develop remediation plans within a time limit in our closed-loop management, with their effectiveness tracked and verified.



At the evaluation stage, we establish a second-party review management system for suppliers that covers three major dimensions, namely product review, process review, and system review. These reviews are dynamically executed in combination with the parts quality performance and supplier quality system operation, through a dual-track mechanism of both scheduled and unscheduled reviews. Scheduled reviews are implemented upon factors such as supplier grading, parts risk levels, historical performance, and cybersecurity, and the *Annual Second-Party Review Plan* is scientifically formulated by the Supplier Quality Management Department. Unscheduled and unannounced reviews are immediately initiated in response to sudden quality incidents, such as batch quality issues or abnormal fluctuations in pass rates, forming a routine quality early warning mechanism and setting up a closed-loop management process that covers problem identification, rectification tracking, and effectiveness verification for non-conformities found in reviews. This effectively ensures the quality stability and continuous improvement capability of the supply chain.

In accordance with the *Supplier Performance Management Procedure*, the Company conducts quarterly and annual performance assessments of suppliers, and the results are graded into Excellent, Good, Average, and Blacklist. Corresponding management measures are implemented for suppliers based on their grades to ensure they can consistently and reliably deliver high-quality products and services. Besides, we have formulated the *Classified Supplier Management Strategy and Process*, which identifies key suppliers from their categories and strategies. This realizes supplier classification and grading and differentiated management of suppliers throughout Leapmotor's full lifecycle, improving its supplier management efficiency.

▶▶ 2024

100%

Suppliers are certified to ISO 14001 and IATF 16949 standards

100%

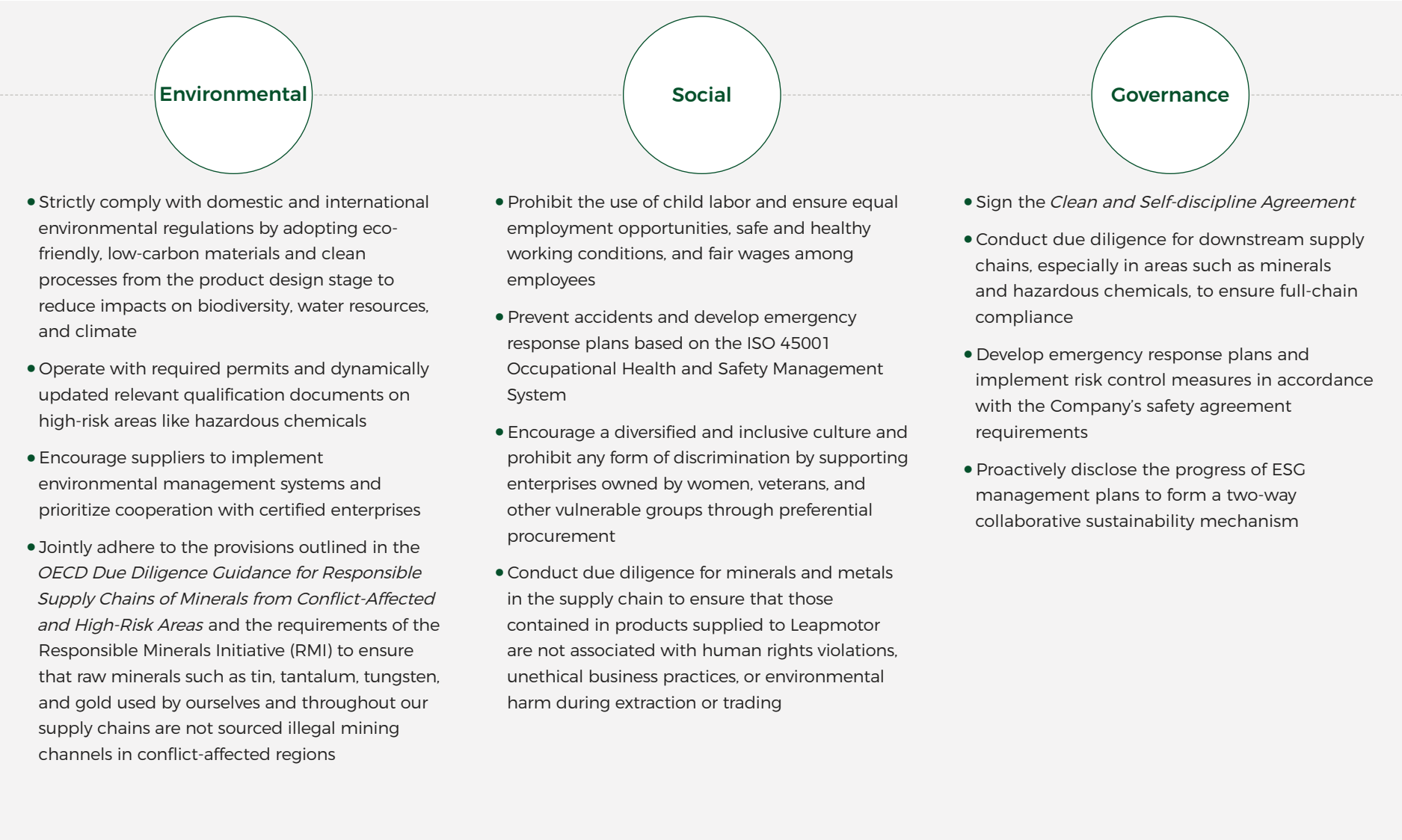
Review coverage of Tier-1 suppliers



### 5.1.3 Sustainable Supplier Management

Leapmotor has deeply integrated the sustainability philosophy into its supply chain management system by establishing a full lifecycle responsibility chain that covers raw material procurement, manufacturing, and logistics delivery, which effectively reduces environmental and social risks in the supply chain and empowers partners to achieve green transformation and inclusive growth together. We have formulated the *General Regulations of Parts Procurement*, which sets comprehensive ESG requirements for suppliers to promote responsible practices throughout the value chain.

| Leapmotor Major ESG requirements for suppliers |



We have extensively incorporated sustainable risk management into our supplier management system. Based on multi-dimensional factors such as the importance of parts supplied by suppliers, the operation of their quality systems, and their business performance, we accurately identify risky suppliers, regularly report on risk progress, and in accordance with the *Risky Supplier Management Program*, standardize the management of suppliers' operational and delivery risks and formulate corresponding measures for different types of risks. Moreover, our supplier review team conducts specialized risk assessments based on core modules in the supply chain where risks in eight key processes such as organizational management, procurement demand planning, procurement execution, cost control, contract performance, supplier collaboration, as well as acceptance and payment are identified from two major dimension, namely the probability of occurrence and the impact scope. This approach helps us identify key risk issues and formulate risk response strategies, effectively enhancing our ESG risk management capabilities in the supply chain.

To ensure fairness and transparency in the procurement process, we provide integrity education for supply chain personnel to raise their awareness of integrity and compliance, fostering mutual trust and collaboration with suppliers. In 2024, 100% of procurement staff received sustainable procurement training about business ethics and product quality. 100% of key suppliers underwent on-site audits, and all evaluated suppliers participated in improvement actions or capacity-building initiatives.

▶▶ 2024

100%

Coverage of new suppliers screened by sustainable evaluation criteria

100%

Signing rate of the *Integrity Self-Discipline Agreement* among suppliers

100%

Signing rate of contracts that included CSR clauses among key suppliers

100%

Review coverage of regular raw material quality for Tier-1 suppliers

2

Procurement compliance training sessions conducted,

300

Participants from suppliers

### 5.1.4 Supplier Empowerment and Communication

Leapmotor collaborates closely with upstream and downstream partners throughout the supply chain, build stable and trustworthy partnerships through supplier capability training and supplier communication, and steadily move towards win-win cooperation.



<sup>44</sup> APQP: Advanced Product Quality Planning

#### Supplier capability training

To ensure the quality of parts, Leapmotor’s supply chain team regularly organizes special training for supplier partners. Our training sessions cover core responsibility topics such as integrity and compliance, product quality specifications, and green and safe production, aiming to comprehensively enhance the sense of responsibility and professionalism of the supply chain. In terms of supplier management, we implement precise control by phase. During the planning and definition phase, we hold APQP<sup>44</sup> kick-off meetings for newly introduced suppliers to clarify the key quality characteristics of parts and components. During the process development phase, we identify risky suppliers based on quality performance and organize special ups-killing training. During mass production preparation, a joint quality improvement campaign is carried out across departments and suppliers to ensure problem closure before

Case

Leapmotor Supply Chain Quality Month

In March 2024, we organized Leapmotor’s first Supply Chain Quality Month with the participation of our top 15 suppliers. At the event, we conducted comprehensive and in-depth internal publicity and education activities around key aspects such as quality culture cultivation, quality awareness enhancement, avoidance of historical issues, and visual management of on-site problems, and helped reduce negative indicators such as defect rates and rework rates, improving our overall operational performance.



<sup>45</sup> 4M1E: Man, Machine, Material, Method, Environment

production. After mass production, a rapid response mechanism is established for suppliers failing to meet quality requirements. Through root cause analysis, correction follow-up, and ongoing supervision, we promote continuous quality improvement.

Furthermore, we provide quarterly training and publicity on 4M1E<sup>45</sup> changes for our suppliers, comprehensively empowering our suppliers and ensuring the stable development of our supply chains. Through regular training sessions for risky suppliers, we accurately identify suppliers’ weaknesses based on the review mechanism and make joint efforts between our professional teams and those of our suppliers to develop improvement plans and enhancement measures targeting their risky points. We track improvement effectiveness through a supervision mechanism, continuously summarize experiences, and explore opportunities for further improvement. For Tier-1 and Tier-2 suppliers, we have customized training programs regarding quality management, production efficiency, and environmental standards, to help them enhance their capabilities.





Supplier exchange and cooperation

Leapmotor is committed to building a stable and high-quality supply chain in collaboration with its partners. Every year, we organize supplier conferences to review the fruit of our cooperation, share best practices within the industry, and jointly seek opportunities for improvement and innovation. We also conduct regular annual supplier satisfaction surveys to establish a two-way communication platform, so as to create a more transparent partnership of mutual trust and jointly bring Leapmotor's product quality and services to new heights.

To promote the localized procurement of core parts and components, the Company gives priority to local suppliers. We have established a flexible and adaptable nearby supply mechanism while meeting the localized requirements of projects. In 2024, the Company remained committed to deepening collaboration in "both system and parts", continuously optimizing the supply chain system, and advancing the localization strategy for key category suppliers. This approach has effectively enhanced product quality, ensured customer delivery, optimized procurement costs, and further reduced carbon emissions throughout the industrial chain. Additionally, Leapmotor provides in-depth support to local component suppliers, facilitating rapid progress and fostering mutual development.

With an open and inclusive mindset, we provide equitable opportunities for collaboration, training or other incentives to enterprises held by diversified groups such as women, ethnic minorities, and people with disabilities. We have been committed to creating more opportunities for diversified enterprises in the procurement processes for products and services.

Case

Leapmotor Global Partner Conference

In January 2025, we held the Leapmotor Global Partner Conference in Hangzhou. At the conference, we reviewed our achievements made in 2024 and unveiled our sales and services improvement plans. We also invited representatives of outstanding suppliers to share their cooperation experiences and awarded them with prizes in recognition of their contributions to Leapmotor. In doing so, we further deepened our trustworthy partnerships, laying a solid foundation for joint innovation, common development, mutual benefits and win-win outcomes in the complex market environment in future.





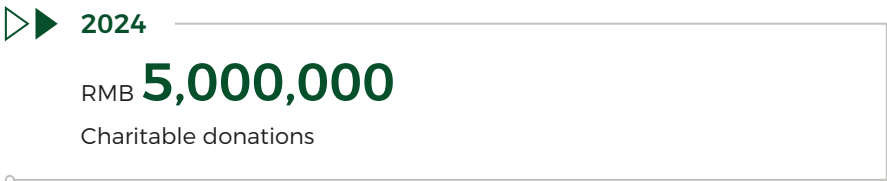
## 5.2 Contributing to Community Development

Leapmotor takes “Tech for Good” as the development guide, seeks to leverage technological innovation to practice corporate social responsibilities in multiple aspects. By building a sustainable public welfare ecosystem with society, other companies, and car owners, we aim to ensure that warmth reaches the corners where it is needed.

Case

Caring donation for a better society

In March 2025, Leapmotor made a donation to the “Lighting Up Dreams with Technologies, and Unlocking the Power of Love”, a Zhejiang charity project in pursuit of assists people with limb disabilities through technology. The donation aimed at sponsoring the project and calling on more caring individuals and enterprises to assist the disabled with technologies. In the future, Leapmotor will strive to make excellence within reach and engage more in disability assistance initiatives in Zhejiang province. We hope make more people feel the warmth and strength of society.



Case

Supporting the development of green sports events

Through sports events, Leapmotor connects green mobility with athletic spirit, paving new ways for the mutual reinforcement of brand value and social value in the NEV industry. In February 2024, the Company participated in the first Jinhua Marathon as a strategic partner, with a fleet of Leapmotor NEVs serving as green vehicles for event support, delivering the message of sustainability to tens of thousands of participants. Our commitment to green sports continues—Leapmotor has become the major sponsor of the Zhejiang professional football club for the 2025 season. Through collaborative sports events, philanthropic initiatives, and brand partnerships, the two sides aim to explore new synergies between the NEV sector and the field of football.



Leapmotor sponsors the first Jinhua Marathon and the Zhejiang Professional Football Club (FC) for the 2025 season



While keeping close contact with users and fans across China, Leapmotor deeply integrates its brand genes with the vitality of the user community, and continuously expands car owner co-creation projects in charity, volunteer services and environmental protection, making users actors of sustainable development and jointly injecting warmth and strength into social progress.

▶▶ 2024

8,600

Participants motivated to engage in environmental protection and public welfare undertakings

Case

Charity on the road to spread warmth and kindness

In August 2024, Leapmotor launched the “Charity on the Road” initiative, collaborating with ten car owners of Leapmotor C16 to form a Tibet-bound fleet and carry out public welfare activities along the route. When passing by Litang County, the team donated books and stationery to the Chengguan Primary School, and gave free courses for the Tibetan students there. The technicians and car owner representatives popularized new energy knowledge and advocated low-carbon travel, which planted the seeds of environmental protection in the hearts of kids.



Leapmotor on the Roof of the World—Public Welfare Tour to the Chengguan Primary School



The Ningbo “Leapmotor Hub” Club held a charity mooncake-making event to convey care to sanitation workers



Members of the Nantong “Leapmotor Expert” Club visited the car wash shop Xibao'er operated by the vulnerable to offer their assistance



Members of the Hainan Island Leapmotor Club visited the shelter provided by the Haikou Small Animal Protection Association



The Chongqing Leapmotor Forest Club launched a public welfare tree-planting campaign to green Mount Jinyun



# Appendixes

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[GRI Content Index](#)

[Key ESG Performance](#)

[Reader Feedback Sheet](#)





# HKEX ESG Reporting Code Content Index

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Environmental		
A1: Emissions	General Disclosure: Information relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	P48, P56, P57
	A1.1 The types of emissions and respective emissions data.	P48, P56, P57
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P48
	A1.3 Total hazardous waste (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	P56
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P56
	A1.5 Description of emissions target(s) set and steps taken to achieve them.	P56, P57
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P56
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A2: Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	P53, P54, P55
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	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P55
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	P54, P55
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P55
A3: The Environment and Natural Resources		
A3: The Environment and Natural Resources	General Disclosure: Policies on minimising the issuer's significant impacts on the environment and natural resources.	P60, P61
	A3.1 Description of the significant impact of business activities on the environment and natural resources and the actions taken to manage them.	P60, P61
A4: Climate Change		
A4: Climate Change	General Disclosure: Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	P46, P47, P49
	A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	P46, P47, P48, P49, P50, P51, P52
Social		
B1: Employment	General Disclosure: Information relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	P63
	B1.1 Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	P64
	B1.2 Employee turnover rate by gender, age group and geographical region.	P64
	General Disclosure: Information relating to providing a safe working environment and protecting employees from occupational hazards: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	P65, P70
B2: Health and Safety		
B2: Health and Safety		



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	B2.2Lost days due to work injury.	P72
	B2.3Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P70, P71, P72, P73
Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P67
	B3.1The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P68
	B3.2The average training hours completed per employee by gender and employee category.	P68
B4: Labour Standards	General Disclosure: Information relating to preventing child and forced labour: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	P65
	B4.1Description of measures to review employment practices to avoid child and forced labour.	P65
	B4.2Description of steps taken to eliminate such practices when discovered.	P65

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B5: Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain.	P77, P79
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	B5.2Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P78, P79
	B5.3Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P79
	B5.4Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P79
B6: Product Responsibility	General Disclosure: Information relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	P42
	B6.1Percentage of total products sold or shipped subject to recalls for safety and health reasons.	P33
	B6.2Number of products and service related complaints received and how they are dealt with.	P41
	B6.3Description of practices relating to observing and protecting intellectual property rights.	P31

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B6: Product Responsibility	B6.4Description of quality assurance process and recall procedures.	P33-35
	B6.5Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P22
B7: Anti-corruption	General Disclosure: Information relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	P14, P15
	B7.1Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P16
	B7.2Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P16
	B7.3Description of anti-corruption training provided to directors and staff.	P16
B8: Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P82, P83
	B8.1Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sports).	P82, P83
	B8.2Resources contributed (e.g. money or time) to the focus area.	P82

GRI Content Index

Statement of use	Leapmotor has reported in accordance with the GRI Standards for the period from January 1, 2024 to December 31, 2024.
GRI 1 used	GRI 1: Foundation 2021

GRI standard	Disclosures	Page
GRI 2: General disclosures 2021	2-1 Organizational details	P5
	2-2 Entities included in the organization's sustainability reporting	P3
	2-3 Reporting period, frequency and contact point	P3
	2-4 Restatements of information	P3
	2-6 Activities, value chain and other business relationships	P5
	2-7 Employees	P63-P74
	2-8 Workers who are not employees	P63-P74
	2-9 Governance structure and composition	P12
	2-10 Nomination and selection of the highest governance body	P12
	2-11 Chair of the highest governance body	P12
	2-12 Role of the highest governance body in overseeing the management of impacts	P8
	2-13 Delegation of responsibility for managing impacts	P8

GRI standard	Disclosures	Page
GRI 2: General disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	P8
	2-15 Conflicts of interest	P14
	2-16 Communication of critical concerns	P9
	2-17 Collective knowledge of the highest governance body	P12
	2-19 Remuneration policies	P65
	2-22 Statement on sustainable development strategy	P4
	2-23 Policy commitments	P15, P63
	2-24 Embedding policy commitments	P15, P63
	2-25 Processes to remediate negative impacts	P16, P41
	2-26 Mechanisms for seeking advice and raising concerns	P16, P41, P66
	2-27 Compliance with laws and regulations	P12, P13, P14, P15, P17, P19, P22, P31, P42, P45, P53, P54, P55, P56, P57, P63, P65, P66, P73, P77
	2-28 Membership associations	-
	2-29 Approach to stakeholder engagement	P10
	2-30 Collective bargaining agreements	P66

GRI standard	Disclosures	Page
GRI 3: Material Topics 2021	3-1 Process to determine material topics	P9
	3-2 List of material topics	P9
	3-3 Management of material topics	P9
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	P47
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	P15
	205-2 Communication and training about anti-corruption policies and procedures	P15
	205-3 Confirmed incidents of corruption and actions taken	P15
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	P14
GRI 301: Materials 2016	301-1 Materials used by weight or volume	P89
	301-2 Recycled input materials used	P52
	301-3 Reclaimed products and their packaging materials	P52, P89
GRI 302: Energy 2016	302-1 Energy consumption within the organization	P54
	302-2 Energy consumption outside of the organization	P54
	302-3 Energy intensity	P54
	302-4 Reduction of energy consumption	P54, P55



GRI standard	Disclosures	Page
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	P55
	303-2 Management of water discharge-related impacts	P57
	303-3 Water withdrawal	P55
	303-4 Water discharge	P57
	303-5 Water consumption	P55
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	P48
	305-2 Energy indirect (Scope 2) GHG emissions	P48
	305-4 GHG emissions intensity	P48
	305-5 Reduction of GHG emissions	P51
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	P57
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	P56, P57
	306-2 Management of significant waste-related impacts	P56, P57
	306-3 Waste generated	P56, P57
	306-4 Waste diverted from disposal	P56, P57, P58, P59
	306-5 Waste directed to disposal	P56, P57
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	P79
	308-2 Negative environmental impacts in the supply chain and actions taken	P79

GRI standard	Disclosures	Page
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	P64
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P65
	401-3 Parental leave	P74
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	P73
	403-2 Hazard identification, risk assessment, and incident investigation	P70
	403-3 Occupational health services	P71
	403-4 Worker participation, consultation, and communication on occupational health and safety	P73
	403-5 Worker training on occupational health and safety	P72
	403-6 Promotion of worker health	P73
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P72, P73
GRI 404: Training and Education 2016	403-8 Workers covered by an occupational health and safety management system	P72
	403-9 Work-related injuries	P70, P72
	403-10 Work-related ill health	P73
	404-1 Average hours of training per year per employee	P67, P68
	404-2 Programs for upgrading employee skills and transition assistance programs	P67
	404-3 Percentage of employees receiving regular performance and career development reviews	P67

GRI standard	Disclosures	Page
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	P64
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	P63
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	P79
	414-2 Negative social impacts in the supply chain and actions taken	P79
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	P32, P33, P34
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	P33
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	P42
	417-3 Incidents of non-compliance concerning marketing communications	P42
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	P22

# Key ESG Performance

## Environmental

Indicator	Unit	Data of 2024
Greenhouse Gas(GHG) Emissions <sup>1</sup>		
Scope 1 GHG emissions <sup>2</sup>	tCO <sub>2</sub> e	16,467
Scope 2 GHG emissions <sup>3</sup>	tCO <sub>2</sub> e	70,918
Total GHG emissions	tCO <sub>2</sub> e	87,385
GHG emission density	tCO <sub>2</sub> e / RMB 10,000 Revenue	0.03
Use of Resource		
Total water consumption	ton	703,635
Water consumption density	ton / RMB 10,000 Revenue	0.22
Total amount of packaging materials used	ton	399,904
Packaging material usage density	ton / RMB 10,000 Revenue	0.12
Use of Energy		
Direct Energy Use		
Natural gas	m <sup>3</sup>	7,615,715
Self-consumption of selfgenerated renewable energy	MWh	25,957.03
Direct energy use density	MWh / RMB 10,000 Revenue	0.03
Indirect Energy Use		
Total Purchased Electricity	MWh	132,160.23
Indirect Energy Use Density	MWh / RMB 10,000 Revenue	0.04
Total energy consumption	MWh	232,159.26

Indicator	Unit	Data of 2024
Waste Emissions		
Hazardous Waste		
Total amount of hazardous waste	ton	2,353
Discharge density of hazardous waste	ton / RMB 10,000 Revenue	0.0007
Total amount of hazardous waste recycled	ton	11.71
Non-Hazardous Waste		
Total amount of non-hazardous waste	ton	37,370.89
Discharge density of nonhazardous waste	ton / RMB 10,000 Revenue	0.01
Waste Gas Emissions		
Sulfur oxide (SO <sub>x</sub> )	ton	2.37
Nitrogen oxide (NO <sub>x</sub> )	ton	10.04
VOC	ton	5.64
Particulate Matter	ton	15.27
Total Waste Gas Emissions	ton	33.32
Waste Gas Emissions Density	ton / RMB 10,000 Revenue	0.0000104
Wastewater Discharge		
Ammonia Nitrogen	ton	1.50
Total Phosphorus	ton	0.07
COD	ton	15.06
Total Wastewater Discharge	ton	363,971
Wastewater Discharge Density	ton / RMB 10,000 Revenue	0.11



Social

Indicator		Unit	Data of 2024
Headcount and Distribution of Employees			
Headcount of full-time employees		Person	15,551
By gender	Female	Person	2,589
	Male	Person	12,962
By age group	30 or below	Person	8,511
	31-50	Person	6,978
	Above 50	Person	62
By function	Manufacturing	Person	8,616
	R&D	Person	4,601
	Sales and marketing	Person	1,411
	Supply chain management	Person	306
By category	General and administration	Person	617
	Full time	Person	15,551
	Intern	Person	261
	Outsourcing	Person	7
	Re-employed after retirement	Person	2
By region	Chinese Mainland	Person	15,548
	Hong Kong, Macao and Taiwan, China	Person	2
	Overseas	Person	1
Special employees	Ethnic minority employees	Person	1,269
	Employees with disabilities	Person	116
Staff Turnover Rate			
By age group		%	18.58
By gender	Female	%	17.07
	Male	%	18.88

Indicator		Unit	Data of 2024
By age group	30 or below	%	20.07
	31-50	%	16.87
	Above 50	%	6.45
By region	Chinese Mainland	%	18.58
	Hong Kong, Macao and Taiwan, China	%	0
	Overseas	%	0
Employee Training and Development			
Total number of trained employees		Person	15,078
Total training hours for employees		Hour	416,072
Training ratio by gender	Female Staff Training Ratio	%	92.89
	Male Staff Training Ratio	%	97.77
Training ratio by rank	Training ratio of ordinary employees	%	96.86
	Training ratio of mid-level management	%	100.00
	Training ratio of senior management	%	100.00
Average training hours by gender	Average training hours of female employees	Hour	28.47
	Average training hours of male employees	Hour	26.42
Average training hours by rank	Average training hours of ordinary employees	Hour	27.86
	Average training hours of mid-level management	Hour	20.02
	Average training hours of senior management	Hour	24.33
Employee Health and Safety			
Work-related injury losses	Work-related fatalities	Person	0
	Rate of work-related fatalities occurred	%	0
	Number of workdays lost due to work-related injuries	Day	1,085
Health check-ups	Employee health check-ups coverage rate	%	100

	Indicator	Unit	Data of 2024
Health and safety training	Number of health and safety training sessions	Person	15,551
	Total hours of health and safety training	Hour	165,936
Supplier Management			
Number of suppliers by region	China	Company	582
	Overseas	Company	0
	Total	Company	582
Proportion of suppliers who have signed the integrity agreement		%	100
Product and Customer Service			
Proportion of processing complaints		%	100
Customer satisfaction rate		%	96
Number of Service training session		Person	198,858
Total hours of service training		Hour	225,609
Charity			
Number of people driven by environmental activities		Person	Over 8,600
Intellectual Property Rights			
Number of newly authorized patents		Item	548
Cumulative number of issued patents		Item	2,371
Training on the protection of intellectual property rights		Session	9
Information security			
Information security training session		Session	36
Total hours of information security training		Hour	12,000
Coverage of information security training		%	100
Number of information leakage incidents		Item	0
Product Research and Development			
R&D staff		Person	4,601
R&D investment		RMB 100 million	29

Governance

Indicator	Unit	Data of 2024
Number of anti-corruption training sessions for directors, supervisors, and senior executives	Session	1
Integrity training sessions for all staff	Session	107
Reporting processing rate	%	100
Number of concluded corruption litigation cases	Item	9
Ratio of operating sites receiving internal audit or risk assessment for business ethics issues	%	100

Notes

1. Leapmotor is in a phase of rapid development. With the operation of new production lines, the greenhouse gas emissions in 2024 increased to a certain extent compared to 2023. Leapmotor conducts a carbon audit each year through the Low-Carbon Development Integrated Management Platform of Zhejiang Province, disclosing the GHG emissions and submitting the data to relevant national departments for review and supervision. Meanwhile, the data is subject to third-party audits to ensure its authenticity and validity.
2. Scope 1 Greenhouse Gas Emissions refer to the emissions from the direct energy use such as natural gas, and are measured according to the *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions by Machinery Manufacturing Enterprises (Trial)*.
3. Scope 2 Greenhouse Gas Emissions refer to emissions from purchased electricity, and are measured based on the recommended approaches stated in the *Notice on Doing a Good Job in the Reporting and Verification of Greenhouse Gas Emissions in Key Industries and Enterprises from 2023 to 2025 (Huan Ban Qi Hou Han [2023] No. 332)* issued by the Office of the Ministry of Ecology and Environment.



# Reader Feedback Sheet

Dear readers,

Thank you for reading the *Leapmotor Environmental, Social and Governance Report 2024*. We sincerely hope that you can evaluate this report and provide your valuable comments to help us continue to improve the report. Thank you again!

Your evaluation on this report: (Please tick ✓ )

Item	Very Good	Good	Fair	Poor	Very Poor
Do you think this report highlights the important environmental, social and governance information of Leapmotor?					
Do you think the structure of this report is reasonable?					
Whether the report disclose the performance indicators that you would like to know about?					
Do you have a clear understanding of the ESG concept and practice of Leapmotor through the report?					
Do you think the content arrangement and format design of this report are reasonable?					
Your overall evaluation of the report?					

What else do you think needs to be disclose that is not presented in this report?

What other suggestions do you have for our ESG governance or ESG reporting improvement in the future?

Please send your feedback to: [ir@leapmotor.com](mailto:ir@leapmotor.com). Thank you very much for your suggestions and comments.





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2024 Environmental, Social, and Governance Report